

The Fidelity Advisor 529 Plan January 1, 2004 Supplement to the Fact Kit dated June 6, 2003

Effective January 1, 2004, the information that follows supplements or replaces the information contained in the Fact Kit dated June 6, 2003.

The Plan's maximum contribution limit increased to \$270,000 beginning January 1, 2004.

Fidelity Investments and MBNA America Bank, N.A. have launched the Fidelity Investments 529 College Rewards MasterCard credit card (the "Card") issued and administered by MBNA America Bank, N.A. Cardholders can earn two percent (2%) on eligible net retail purchases when invested in a Fidelity Advisor 529 Plan account.

Cardholders residing in the U.S. are eligible to earn reward points ("Points"), which convert to Fidelity 529 Dollars when deposited in a Fidelity Advisor 529 Plan account, based upon use of the Fidelity Investments 529 College Rewards Platinum Plus or Preferred credit card issued by MBNA America Bank, N.A. ("MBNA"). Residents of Puerto Rico are eligible to use the credit card account for purchase and cash advance transactions but are not eligible to earn Points or convert Points to money in any form whatsoever. Cardholders currently earn two (2) Points for every \$100 in eligible new net retail purchase transactions (purchases less credits, returns, and adjustments) charged to the Card. Purchase transactions are rounded up to the nearest dollar. Cash advances (including balance transfers), purchases of cash equivalents, and unauthorized or fraudulent transactions do not earn Points. A Fidelity Advisor 529 Plan account must be open, funded, and designated with MBNA in order for Points to be converted to Fidelity 529 Dollars. If there is a balance of at least 50 Points at the closing date of the last billing statement during a calendar quarter, then at the end of the quarter, the Points will become Fidelity 529 Dollars. Each Point transferred becomes one Fidelity 529 Dollar. Any Points not converted to Fidelity 529 Dollars will be carried over into successive billing statements. Beginning January 1, 2004, a Cardholder may earn a maximum of 1,500 total Points per rolling twelve months based on the anniversary date from which the Card was opened. Points are not transferable, except to a Fidelity Advisor 529 Plan account and have no cash value other than as described in the credit card Program Guidelines. Points may not be used to pay any credit card balance. Fidelity Investments and/or MBNA may change the terms of the reward program at any time, including the 2% earn rate. For more details on the terms and conditions of the Card, please review the Program Guidelines.

Fidelity Advisor 529 Plan pool and account numbers are required to ensure your Fidelity 529 Dollars are deposited in your Fidelity Advisor 529 Plan account. Until Fidelity Advisor 529 Plan pool and account numbers are designated, you will not be eligible to receive Fidelity 529 Dollars. These Points may expire if Fidelity Advisor 529 Plan pool and account numbers are not designated after one year.

If you roll over from another 529 plan to the Fidelity Advisor 529 Plan, you will be eligible to receive reimbursement for the actual amount of any exit fee imposed by the other 529 plan, up to a maximum of \$50.00. Only one rollover per 529 account is eligible for reimbursement, and your Advisor must notify Fidelity in advance of the rollover in order to qualify.

Fidelity will reimburse you only for an exit fee charged under the terms of the plan. You will not be reimbursed for anything else, such as taxes, contingent deferred sales loads or other sales charges, finders' fees, or annual account charges imposed as a result of the rollover. The amount of the reimbursement will be credited to the Fidelity Advisor 529 Plan account into which you make the rollover. It will be treated as a contribution by you to the account.

Fidelity reserves the right to discontinue the reimbursement program at any time.

Effective August 4, 2003, the information that follows supplements or replaces the information contained in the Fact Kit dated June 6, 2003.

In certain circumstances, the Trustee may waive or reduce the sales charges applicable to Old Class A and Class A purchases. These waivers and reductions are at the discretion of the Trustee and may be modified at any time.

To qualify for an Old Class A or Class A sales charge waiver or reduction, you must notify Fidelity in advance of your purchase.

Load Waivers: The immediate sales charges will not apply to the purchase of Old Class A or Class A under the following situations:

1. Purchases by any employee of a firm, and any member of the immediate family of such person, if such firm has in effect a Selling Agreement for the Fidelity Advisor 529 Plan with Fidelity Investments Institutional Services Company, Inc.;
2. Purchases with "Fidelity 529 Dollars" generated from the Fidelity Investments College Rewards MasterCard;
3. Purchases with proceeds from a rollover distribution from a non-Fidelity 529 program on which you have previously paid a sales charge;
4. Purchases with redemption proceeds from Fidelity Advisor Funds or other mutual funds on which you previously paid a sales charge;
5. Purchases through a trust institution or bank department for a managed account that is charged an asset based fee. Accounts managed by third parties do not qualify for this waiver.

Due to reduced rates of return for money market funds in general and Fidelity Cash Reserves fund in particular the Trustee implemented a waiver of a portion of the ongoing daily fee applicable to investments in Old Class B and Class B Units, Class C Units, Class D Units, and Class P Units of the Fidelity Advisor 529 Money Market Portfolio. The fee is waived to the extent necessary to ensure that on each day the effective rate of return of an investment in such Units, after allowance for all ongoing daily charges, will be at least 0.1% annually. The fee waiver is voluntary and the Trustee may discontinue or modify this waiver at any time.

The **Fidelity Advisor** **529 Plan**SM

Sponsored by the State of New Hampshire
Managed by Fidelity Investments

Supplemental Information

Fact Sheet

Fact Kit

Participant Handbook

Participation Agreement



The Fidelity Advisor 529 Plan¹

FACT SHEET

FEATURE	DESCRIPTION	EXPLANATION/REASON
Minimum Initial Contribution	\$50/\$1,000	The minimum can be as low as \$50 per month if the Participant ² establishes a systematic investment plan. Without a systematic investment plan, the minimum initial investment is \$1,000.
Additional Contributions	\$50 monthly \$150 quarterly	The minimum additional investment is \$50, either by check or Fidelity Advisor Money Line [®] for systematic or on demand transactions. The minimum through automated quarterly payments is \$150.
Maximum Contribution Limit³	\$250,000 in 2003	Section 529 of the Internal Revenue Code (IRC) requires that investments in the Plan be limited to amounts that can reasonably be expected to be used to meet qualified higher education expenses for an individual. The Plan's Advisory Commission determines a new maximum contribution limit each year based on seven times the annual cost of attending the most expensive school in New Hampshire (including tuition, room and board, and fees).
Participation	All U.S. Residents	The Plan is open to all Participants and Beneficiaries, regardless of their state of residence. Participants must be U.S. residents.
Gift and Generation-Skipping Transfer Tax Advantages	\$55,000 (or \$110,000 combined for spouses who gift split)	An individual can give up to \$55,000 (or \$110,000 combined for spouses who gift split) to a Beneficiary in one year without incurring federal gift tax or generation-skipping transfer ("GST") tax and without expending any portion of applicable transfer tax exemptions. ⁴
Tax Deferral	Federal/State Deferral ⁵	IRC 529 provides federal income tax deferral. New Hampshire does not have a state income tax. Qualified distributions are exempt from New Hampshire's interest and dividends tax. Residents of states other than New Hampshire are not subject to this tax. Generally, other state tax treatment will follow federal tax treatment. If you are not a New Hampshire resident, you may want to investigate whether your state offers in-state tax breaks for residents who invest in their state's own plan.
Estate Tax	Contributions are considered completed gifts for federal gift, GST, and estate tax purposes.	If a Participant dies, money in the Plan is not includable in the Participant's estate, with one exception. If the Participant elects to take the annual gift and/or GST tax exclusion over five years, and dies before the five-year period elapses, then the contribution amounts allocable to the calendar years after the date of death are included in the estate for estate tax purposes. ⁶
Distributions	You may use the Plan's Distribution Form to request a distribution.	The form requires that you specify the Portfolio or Portfolios from which the withdrawal will be taken, and the amount from each Portfolio. If you do not specify any Portfolios your request will need to be resubmitted before any distribution is made. If you request distributions from one or more Portfolios in which you do not have sufficient value to make the withdrawal, we will redeem your entire interest in the Portfolio(s), but will not increase the amount withdrawn from any other Portfolio. This will result in the amount of the withdrawal being less than the amount requested, and you will have to make a separate withdrawal request for the remainder.
Tax Treatment of Qualified Distributions⁷	Qualified distributions are federal income tax free.	The Economic Growth and Tax Relief Act of 2001 provides for federal income tax-free distributions for qualified distributions from 529 Plans. ⁸
Tax Treatment of Non-Qualified Distributions	Investment gains are taxed as ordinary income to the Distributee ⁹ . In addition, there is a 10% federal penalty tax on investment gains and a contingent deferred sales charge ("CDSC") for Class B units. Some Class A and C Units may also be subject to a CDSC.	This penalty tax is to prevent the Plan from being used as a tax shelter. The following are exceptions to the penalty tax, but non-qualified distributions would still be subject to income tax at the Distributee's tax rate if the Beneficiary: <ul style="list-style-type: none"> • Dies or becomes disabled • Has won a scholarship, and the distribution is less than or equal to the amount of the scholarship.
Annual Account Fee	\$30	The account fee is waived if the Participant signs up for a systematic investment plan (including Government Allotments for military personnel) or if the combined account balance for a Beneficiary is equal to or greater than \$25,000.
Expenses	Annual estimated expenses for each Portfolio depend upon which Class or Classes of Units is purchased; 0.30% annual administration fee.	There are Class A Units, Class B Units, Class C Units, Class D Units and Class P Units. The fees associated with each Class of Units are described in detail in the Fact Kit. You select the Class of Units you initially want to purchase at the time you open the Account. You should ask your investment professional to assist you in choosing the Class that is best for you. The administration fee covers the cost of asset allocation and trust administration services, such as recordkeeping, statements, and customer service.
Investment Approach	Three types of Portfolios which either invest in a single or in a combination of Fidelity Advisor Funds [®] and/or Fidelity Cash Reserves fund. ¹⁰	Section 529 requires that the Participant does not have direct or indirect control over the investments. You may allocate contributions to one or more of the Plan's 21 current Portfolios. You choose the Portfolio or Portfolios for each contribution. Once each calendar year, you can give us instructions to transfer among portfolios. You can also transfer on a change of Beneficiary.

The Fidelity Advisor 529 Plan¹

FACT SHEET (CONTINUED)

¹ The Fidelity Advisor 529 Plan was formerly known as the Advisor College Investing Plan, or ACIP.

² The Participant is you, the person establishing the account.

³ The "Contribution Limit" will be calculated each September based on the annual cost of attending the most expensive school in New Hampshire (including tuition, room and board, and fees) multiplied by seven. This figure becomes effective the next calendar year (on January 1) and will be compared to a Beneficiary's account balance as of the end of the year (December 31). If the combined balance of all accounts for that Beneficiary is below the contribution limit, the Beneficiary is eligible to receive further contributions up to that amount. If the combined balance is at or above that amount, no further contributions will be permitted that year.

⁴ In order for an accelerated transfer to a 529 Plan (for a given Beneficiary) of \$55,000 (or \$110,000 combined for spouses who gift split) to result in no Federal transfer tax and no use of any portion of the applicable Federal transfer tax exemption and/or credit amounts, no further annual exclusion gifts and/or generation-skipping transfers to the same beneficiary may be made over the five-year period, and the transfer must be reported as a series of five equal annual transfers on Form 709, United States Gift (and Generation-Skipping Transfer) Tax Return. If the donor fails to survive the five-year period, a portion of the transferred amount will be included in the donor's estate for estate tax purposes. The accelerated gifting provision does not include transfers from a UGMA/UTMA account to a UGMA/UTMA 529 Plan account. Accelerated gifting may apply for a trust 529 Plan Account. Consult with a tax advisor regarding your situation.

⁵ The Portfolios are held in a tax-advantaged Plan under IRC Section 529, which is not intended to result in distributions of dividends or capital gains which would be taxable under various state laws. However, you should consult your tax advisor with respect to taxation by states other than New Hampshire.

⁶ Since the accelerated gifting provision does not apply to UGMA/UTMA 529 Plan accounts, the exception does not apply to UGMA/UTMA 529 Plan Accounts. Estate tax rules may differ for UGMA/UTMA 529 Plan Accounts and for Trust 529 Plan Accounts. Consult with a tax advisor.

⁷ Qualified distributions are those used to pay for tuition, fees, room, board, books, supplies and equipment required for the course of education at virtually any accredited post secondary institutions anywhere in the U.S. and at eligible foreign institutions.

⁸ The Economic Growth and Tax Relief Reconciliation Act of 2001 will expire on December 31, 2010. Unless the law is extended by Congress and the President, federal tax treatment of 529 Plans will then revert to its status prior to January 1, 2002.

⁹ The Distributee is the person who receives the distributions. The Distributee may be the Participant or the Beneficiary under the Plan. The Beneficiary will be deemed the recipient for distributions made to an eligible educational institution attended by the Beneficiary.

¹⁰ There are three types of Portfolios to choose from. There are eight Age-Based Portfolios, two Static Allocation Portfolios and eleven Individual Fund Portfolios. Of the eight Age-Based Portfolios, seven have a target date and each is designed for Beneficiaries born within a three-year time period but may be selected for Beneficiaries not in that time period. For instance, Portfolio 2022 is designed for Beneficiaries born during 2003, 2004 and 2005. The College Portfolio is currently designed for Beneficiaries born in 1984 and earlier (over time the date will move up). The two Static Allocation Portfolios include a choice of a 100% Equity Portfolio or a 70% Equity Portfolio. The eleven Individual Fund Portfolios each invest in a single underlying mutual fund. Ten of these Portfolios invest in a single Fidelity Advisor Fund. The eleventh Portfolio invests in Fidelity Cash Reserves fund. You may select from among the eleven Individual Fund Portfolios.

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PART I – BASIC QUESTIONS AND ANSWERS

The Fidelity Advisor 529 Plan (the “Plan” or “FA 529 Plan” or “FA 529”), sponsored by the State of New Hampshire and managed by Fidelity Investments[®], is a relatively new way to save for college, graduate school, and other forms of higher education. Recent changes in the federal tax laws make it possible. Here are the basics of how it works.

For the sake of simplicity, we have assumed that you are a parent or a grandparent saving for your child’s or grandchild’s college education and want to set up just one Account for that child. The questions and answers that follow are expressed that way.

How Do I Set Up an Account?

You (the “Participant”) establish an Account by signing the Account Application Agreement furnished by your investment professional, and by making an investment in an Account for the benefit of an individual you choose (the “Beneficiary”). You may open more than one Account. Each Account must be for the benefit of one named individual Beneficiary in order to comply with federal tax law requirements.

Can My Spouse and I Open a Joint Account?

No. Each Account must be established by one person. Due to federal tax laws, the Plan will accept investments only from or on behalf of the Participant, the person who opens the Account. Only the Participant can give instructions to distribute money from the Account for college or for any other reason.

Who Can Be a Beneficiary?

You can set up an Account for your child, your grandchild, your spouse, another relative, or even someone not related to you. Also, you, the Participant are able to set up an Account for your own qualified higher education expenses.

Who Can Change the Beneficiary?

You, as the Participant, are the only person who can change the Beneficiary. You may not change the Beneficiary of a UGMA/UTMA 529 Plan Account.

Who Can Be a Participant?

A Participant must be 18 years of age or older and a U.S. citizen or resident alien. The Participant must be a U.S. resident at the time an account is opened and when a contribution is made. The Participant may be a UGMA/UTMA 529 Plan custodian or Trustee(s) of a Trust. A State or local government or an organization described in section 501(c)(3) of the Internal Revenue Code and exempt from tax under section 501(a) may also be a Participant in order to fund a scholarship program it operates. See “Tax-Exempt Participants” on page 37.

Who Keeps the Records for my Account?

Fidelity is responsible for keeping records on behalf of the Plan, including the value of your Plan Account and your Plan Account activity.

How Much Do I Need to Open an Account?

If you sign up for automatic periodic transfers from your bank account, you must deposit at least \$50 when opening an Account. Thereafter, the minimum monthly amount is only \$50. If you elect to do this quarterly, the minimum quarterly amount is \$150. If you open an Account by making a single investment, it must be for at least \$1,000.

How Do I Make Additional Investments?

You may send Fidelity money by check or by establishing Fidelity Advisor Money Line[®] to transfer money via an electronic funds transfer (EFT). You may use Fidelity Advisor Money Line to transfer money “on demand” and/or to make periodic contributions by automatic transfers from your bank account. If you establish a systematic investment program (including Government Allotments for military personnel), you will not have to pay a \$30 annual Account fee. See “What Expenses Are Involved?” on page 8 for a description of expenses associated with an investment in the Plan.

Federal tax law requires that all investments be made “in cash.” Checks are considered cash for this purpose and will be accepted.

For each contribution we will require that you tell us whether the contribution is or is not a rollover from another 529 Plan Account. If the contribution is a rollover, you must provide us with the appropriate rollover documentation. Until such documentation is provided, the Internal Revenue Service requires us to treat the contribution as a rollover consisting entirely of gains that could be taxable upon distribution. Rollover contributions from other 529 Plans are discussed in “Rollovers and Transfers” on page 39.

Can a UGMA/UTMA Custodian Invest in an Account?

Yes. If a UGMA/UTMA account already exists, you must first liquidate the assets in the UGMA/UTMA account and pay any applicable taxes, since a 529 Plan may only accept cash. Then as custodian, you can invest the cash in a UGMA/UTMA 529 Account. Consult with a tax advisor regarding any special tax situation.

I Already Have a Fidelity Advisor 529 Account. Do I Have to Establish a New Account for My Beneficiary’s UGMA/UTMA Assets?

Yes. Assets in a UGMA/UTMA account cannot be commingled with assets in your own name as Participant. All assets held in a 529 Plan Account established by a UGMA/UTMA custodian belong to the minor (Beneficiary) and all such assets may only be used for the benefit of the minor.

Do UGMA/UTMA Laws Govern UGMA/UTMA 529 Plan Accounts?

Yes. UGMA/UTMA statutes will still govern. Under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act, the assets belong to the minor and may only be used for the benefit of the minor. This means the following:

- The custodian of the existing UGMA/UTMA account will be the Participant of the UGMA/UTMA 529 Plan Account.

- The minor under the UGMA/UTMA account will be the Beneficiary of the UGMA/UTMA 529 Plan Account.
- The Beneficiary (minor under the UGMA/UTMA account) is the owner of the assets held in the UGMA/UTMA 529 Plan Account.

When the minor/Beneficiary reaches the age of account termination under the applicable UGMA/UTMA statute, it is the custodian's responsibility to reregister the Account from the applicable UGMA/UTMA Plan account registration to a non-UGMA/UTMA 529 registration with the former minor as Participant and Beneficiary. The custodian will need to complete a Letter of Instruction to document the termination of the custodianship.

How Much Can I Contribute in an Account?

Federal income tax law requires that the Plan place a limit on contributions. Through calendar year 2003, the limit on investments in the New Hampshire Higher Education Savings Plan Trust (the "Trust") is \$250,000 per Beneficiary. Although the law does not set a specific dollar amount, each calendar year the New Hampshire College Tuition Savings Plan Advisory Commission (the "Advisory Commission") will set a maximum amount you can invest, based on seven times the annual cost of attending the most expensive school in New Hampshire (including tuition, room and board, and fees). The limit may be adjusted each calendar year, and Fidelity will notify you of the new limit accordingly. The most you can invest each year is the investment limit for that year minus the value of your Account at the end of the previous year. The limit applies whether or not you are a resident of New Hampshire. The Plan reserves the right to change the limit in accordance with its interpretation of the law.

How Will My Account Be Invested?

Each time you add money to your Account you choose how to allocate the money among the 21 investment portfolios of the Trust. For each contribution, you may also choose to purchase Class A Units, Class B Units, Class C Units, Class D Units, or Class P Units, except that you may not purchase Class B Units for an account if the Beneficiary is 14 years or older, and Class P Units are available only through workplace arrangements. Old Class A, Old Class B, and Class D Units are available only for Accounts established before June 25, 2003. Each Class of Units is subject to differing fees, as described in *"What Expenses are Involved?"* on page 8. Once each calendar year, you can give us instructions to transfer among Portfolios. You can also transfer on a change of Beneficiary. Your instructions may be to transfer among specified Portfolios in specified amounts on a monthly, quarterly, semi-annual, or annual basis ("Dollar Cost Averaging"). Each time a portfolio receives money in a Dollar Cost Averaging transfer, it must receive at least \$50. In that case we will take the remaining amount in the source Portfolio, and Dollar Cost Averaging transactions from that Portfolio based on your original instruction will no longer take place. Dollar Cost Averaging does not ensure a profit or protect against a loss in declining market.

There are three types of Portfolios. Each Portfolio pools the money that is invested in it by Participants and invests that money toward

a specified goal. Each Portfolio consists of Units of interest. A Portfolio's Unit value is the value of a single Unit.

The Age-Based and Static Allocation Portfolios invest in Fidelity Advisor Funds and/or Fidelity Cash Reserves fund, as selected by Strategic Advisers, Inc., ("Strategic Advisers") a Fidelity Investments affiliated company registered with the U.S. Securities and Exchange Commission ("SEC") as an investment adviser. The mutual funds and the allocations of the Portfolios' assets among the mutual funds were approved by the Advisory Commission, which is authorized to direct and change the investment of contributions to the Trust. Depending on the performance of the mutual funds, your Account may be worth more or less than what you invest.

The Individual Fund Portfolios each invest in a single underlying mutual fund. Ten of these Portfolios invest in a single Fidelity Advisor Fund. The eleventh Portfolio invests in Fidelity Cash Reserves. You may select from among these eleven Individual Fund Portfolios.

Are the Portfolios Mutual Funds?

No, the Portfolios are not mutual funds. However, from an investment perspective each Age-Based and Static Allocation Portfolio is similar to the type of mutual fund commonly referred to as a "fund of funds" in that it invests in a combination of mutual funds. The Individual Fund Portfolios each invest in a single mutual fund.

Are the Portfolios or the Units Registered with the SEC?

No, the Portfolios and the Units are not registered with the SEC, pursuant to certain exemptions that apply to securities issued by public instrumentalities of a state, such as the Trust. The Units are municipal securities and their sale is regulated by the Municipal Securities Rulemaking Board.

Can I Choose the Mutual Funds for My Account?

No. You can choose the Portfolio or Portfolios in which your Account is invested, and the Class of Units you want to purchase in each Portfolio. However, you cannot choose the mutual funds in which a Portfolio invests, because federal tax law requires that you not be able to direct the investment of the assets in your Account, directly or indirectly. The assets of each Portfolio will be allocated among one or a number of Fidelity Advisor Fund(s) and/or Fidelity Cash Reserves fund, subject to any changes authorized by the State of New Hampshire.

How Will Mutual Funds be Chosen?

The Plan has 21 Portfolios. Eight of the Portfolios were designed to accommodate Beneficiaries based on age. For these eight Age-Based Portfolios, the allocation of the assets among the mutual funds will be based on age of the Beneficiaries for which each Portfolio was designed, and for seven of them, the asset allocation will change over time. The eighth Age-Based Portfolio has a stable asset allocation. The two Static Allocation Portfolios were not designed for Beneficiaries of any particular age, and their asset allocations will be very stable. The 11 Individual Fund Portfolios were also not designed for Beneficiaries of any particular age and each will invest in a single mutual fund.

For Age-Based Portfolios designed for younger Beneficiaries, Strategic Advisers will allocate a substantial portion of the Portfolio's assets to mutual funds that invest primarily in stocks. For Age-Based Portfolios designed for children who are not quite as young, Strategic Advisers will allocate less to stock mutual funds and more to more conservative bond and money market funds. For Portfolios designed for children who are anticipated to begin college very soon, an even higher percentage of the Portfolio's assets will be invested in bond and money market funds. Strategic Advisers believes that this approach provides the opportunity to take advantage of the stock market while lessening the risk that a sudden drop in the stock market will reduce the value of an Account shortly before a Beneficiary is expected to attend college.

How Are My Contributions Allocated to Portfolios?

Contributions are allocated to Portfolios according to the allocation instructions you provide to Fidelity. When you establish an Account you will designate your Portfolio allocation in the Investment Selection section of the New Account Application.

Can I Redirect Money Once Contributed to a Portfolio?

Once each calendar year, you can give us instructions to transfer among portfolios. You can also transfer on a change of Beneficiary. Your instructions may be to transfer among specified Portfolios in specified amounts on a monthly, quarterly, semi-annual, or annual basis ("Dollar Cost Averaging"). Each time a Portfolio receives money in a Dollar Cost Averaging transfer, it must receive at least \$50, unless the Portfolio that is the source for the transfer has less than \$50. In that case, we will take the remaining amount in the source Portfolio, and Dollar Cost Averaging transactions from that Portfolio based on your original instructions will no longer take place. Dollar Cost Averaging does not ensure a profit or protect against a loss in a declining market.

Can I Invest in the Plan and in a Coverdell Education Savings Account?

Contributions to both the Plan and a Coverdell Education Savings Account ("ESA") for the same Beneficiary are permitted without penalty. However, if distributions on behalf of a Beneficiary from Coverdell ESAs and 529 Plans exceed the Beneficiary's actual qualified higher education expenses for a year, the distributions must be allocated between the two types of programs.

What Are the Federal Income Tax Advantages of the Plan?

The main federal income tax advantages of the Plan are that investment gains are federal income tax deferred and that all withdrawals made to pay for "qualified higher education expenses" as defined in the Internal Revenue Code are federal income tax-free.*

The legislation governing tax free qualified withdrawals is temporary and without further legislative action will not apply to tax years beginning after December 31, 2010. Instead, for tax years beginning after December 31, 2010, the federal tax treatment of 529 Plans will revert to its status prior to January 2002. In addition, a distribution is a qualified withdrawal only if the distribution can be matched to the payment of qualified higher education expenses during the same calendar year. In general, tuition, fees, room and

board, books, and required supplies and equipment are considered "qualified higher education expenses."

* Unless the law is extended by Congress and the President, this and other provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) will expire on December 31, 2010, and federal tax treatment of 529 Plans will revert to its status prior to January 1, 2002. EGTRRA changes that are subject to this "sunset" provision are at times identified in this document by the symbol *.

What About State Taxes?

New Hampshire does not have a state income tax. Distributions used for qualified withdrawals are exempt from the New Hampshire interest and dividends tax. There may be other state or local taxes that apply, depending on where you and the Beneficiary live. Some states offer favorable tax treatment to their residents only if they invest in the state's own plan. If you are not a New Hampshire resident, you may want to investigate whether your state offers its residents a plan with alternate tax advantages. You should consult with your tax advisor about any other state or local taxes.

What Are the Gift and Generation-Skipping Transfer Tax Advantages of an Account?

Total gifts to any one person in one year of more than the annual exclusion amount (\$11,000 in 2003) will usually have a Federal gift tax impact and may have a Federal generation-skipping transfer tax impact. With the Plan, you can contribute up to five times the annual exclusion amount (\$55,000 in 2003 or \$110,000 combined for spouses who gift split) to one person in one year without triggering the Federal gift or generation-skipping transfer tax. Gifts to any one person in excess of \$11,000 but not in excess of \$55,000 may also be prorated over five years. To do this, you must elect to treat the entire gift as a series of five equal annual gifts. You report the proration by filing a Form 709, United States Gift (and Generation-Skipping Transfer) Tax Return, for the year in which the transfer is made.

In the future, the amount of the annual transfer tax exclusion (\$11,000) may be increased by a cost of living adjustment. A donor to an account established under the UGMA/UTMA statute may not make a \$55,000 lump sum transfer to the account and elect to treat the transfer as having been made over a five-year time period. However, once assets have been transferred to a UGMA/UTMA account, any and all such assets can be transferred without transfer tax limitation to a UGMA/UTMA 529 Plan account. Transfer tax limitations applicable to transfers to trust accounts and investments by trust accounts in 529 plan investments may vary. State transfer tax rules applicable to all 529 investments may also vary. Consult your tax advisor regarding your specific tax situation. Also, see "*Federal Gift and Estate Taxes*" on page 39.

What Expenses Are Involved?

There are three categories of expenses.

First, there are two fees charged by the Plan.

One Plan fee is a daily charge against the assets of each Portfolio in which your Account is invested. This administrative charge is currently at an annual rate of 0.30%. If your Account were worth exactly \$10,000 on each day of a year, this charge would equal \$30 for that year. This charge reduces the daily Unit value of each Portfolio.

The other Plan fee is an annual Account fee that is currently \$30 per Account. This fee is waived if you choose to make periodic contributions by automatic transfers from your bank account or other systematic investment plan, including Government Allotments for military personnel and payroll deduction. This fee is also waived if the combined value of your Account and any related Accounts (other Accounts established for the same Beneficiary) is \$25,000 or more. If the fee applies and you make a full withdrawal before the collection date, you may be subject to a prorated annual fee. For each Account subject to the fee, the fee will be taken from the Portfolio with the highest value at the time the fee is calculated.

Second, each of the mutual funds in which Portfolio assets are invested also has investment management fees and other expenses. The Trust will not invest in any mutual fund if a sales load would be imposed on that investment.

Third, each of the seven Classes of Units has sales loads and/or ongoing expenses. There are Old Class A Units and Class A Units, Old Class B Units and Class B Units, Class C Units, Class D Units, and Class P Units. Old Class A, Old Class B, and Class D Units are available only for Accounts established before June 25, 2003. There are additional charges that vary by class and Portfolio described below.

You select the Class of Units you initially want to purchase at the time you open the Account, except you may not purchase Old Class B or Class B Units for an Account once the Beneficiary of that Account is age 14 or older, and Class P Units are available only through payroll deduction arrangements. You should ask your investment professional to assist you in choosing the Class that is best for you.

You may change the Class of Units you purchase with future contributions to your Account at any time by completing and delivering written letter of instruction and sending it to your investment professional or Fidelity. The change will be effective only when the Trust has received your new instructions. Each contribution made to your Account after the Trust has received your letter of instruction will be invested in the Class you select.

You may not exchange Units of one Class for Units of another Class, so if you elect to purchase Units of a different Class with future contributions you will own Units of more than one Class.

The following is a summary of the fees associated with each Class and Portfolio.

	Sales Charge (%)	Annual Fee (%) ¹	Contingent Deferred Sales Charge ²
Old Class A³ (Available only to Accounts established before June 25, 2003)			
Age-Based and Static Allocation Portfolios	3.50	0.25	None ⁴
Class A^{3,5}			
Age-Based and Static Allocation Portfolios	5.75	0.25	None ⁴
Individual Fund Portfolios			
Equity	5.75	0.25	None ⁴
High Income and Inflation-Protected Bond	4.75	0.15	None ⁴
Intermediate Bond	3.75	0.15	None ⁴
Money Market	None	0.25	None
Old Class B (Available only to Accounts established before June 25, 2003)			
Age-Based and Static Allocation Portfolios	None	0.75	2.5% decreasing over 6 years
Class B⁵			
Age-Based and Static Allocation Portfolios	None	1.00	5% decreasing over 7 years
Individual Fund Portfolios			
Equity	None	1.00	5% decreasing over 7 years
High Income and Inflation-Protected Bond	None	0.90	5% decreasing over 7 years
Intermediate Bond	None	0.90	3% decreasing over 4 years
Money Market	None	1.00	5% decreasing over 7 years
Class C			
All Portfolios	None	1.00	1% for first year
Class D (Available only to Accounts established before June 25, 2003)			
All Portfolios	None	0.50	None
Class P			
All Portfolios	None	0.75	None

¹ The annual fee is a daily charge at the annualized rate specified above.

² Exceptions to the CDSC are described on the pages that follow.

³ Load waivers and reduced sales charges may apply. See "Expenses" on page 16 for additional information.

⁴ Units sold by investment professionals who receive a finder's fee will be subject to a CDSC. See "Sale of Units" on page 36 for additional information.

⁵ Available in Accounts established on or after June 25, 2003.

The fees described above for Class A, B, C, D, and P Units are paid to Fidelity. See "Expenses" on page 16 for additional description of the expenses involved. Fidelity in turn makes payments to your investment professional's firm. See "Sale of Units" on page 36 for a description of the fees paid to the firms in connection with the sale of Units.

Does the State of New Hampshire Make Any Guarantees?

The State makes no guarantees of any type. The State's faith and credit do not back any of the investments in your Account. The State does not promise that your Account will increase in value or achieve any rate of return, or that your Account will not decrease in value.

The State does not guarantee that your child will be accepted at any institution of higher learning. Even after your child begins college, the State does not guarantee that your child will be able to continue to attend, that he or she will graduate, or that he or she will be considered a resident of any particular state for tuition purposes.

Can I Use My Account to Pay for the College I Want?

Yes. Unlike other programs that offer full benefits only if your child attends a school that participates in the program, with the Plan you get the full benefits from the program if your child attends virtually any accredited institution of higher education in the United States that is eligible to participate in certain Federal student aid programs. This might be a college or graduate school, or a vocational or trade school. You should be certain that the school is accredited. In addition, 529 Plan assets can be used at accredited foreign schools that are eligible to participate in the Federal Family Education Loan (FFEL) Program see *"Treatment of Plan Accounts under Federal Financial Aid Methodology"* on page 41. If you use the money to pay for costs associated with a non-accredited institution, you will not qualify for favorable tax treatment, and a federal penalty tax of 10% of any investment gains distributed will apply. A CDSC may also be imposed on Old Class B and Class B Units and on some Old Class A, Class A and C Units.

How Do I Use My Account to Pay for College?

When you make a distribution from your Account you tell us whether to send the money to you, to your child's college, or to another person.

You may use the Plan's Distribution Form to request a distribution. The form requires that you specify the Portfolio or Portfolios from which the distribution will be taken, and the amount from each Portfolio. If you do not specify any Portfolios your request will need to be resubmitted before any distribution is made.

If you request distributions from one or more Portfolios in which you do not have sufficient value to make the distribution, we will redeem your entire interest in the Portfolio(s), but will not increase the amount distributed from any other Portfolio. This will result in the amount of the distribution being less than the amount requested, and you will have to make a separate distribution request for the remainder.

Do I Need to Show Fidelity that a Distribution Is for Qualified Higher Education Expenses?

No. You no longer need to indicate whether a distribution will be used to pay for qualified higher education expenses.* However, you or the Beneficiary, depending upon who is the Distributee of the

distribution, should retain records of payments for qualified higher education expenses in order to prepare income tax returns. For distributions made directly to a Beneficiary or to an eligible educational institution for the benefit of the Beneficiary, the Beneficiary is deemed the recipient of the distribution, and we will send Form 1099Q to the Beneficiary. For all other distributions, the Participant will be deemed the Distributee of the distribution, and we will send Form 1099Q to the Participant.

What if My Child Delays Going to College?

You can keep your Account open until your child goes to college, whenever that may be. In a UGMA/UTMA 529 Plan Account, the custodian is responsible to transfer the account to the minor when the minor reaches the age of account termination.

What if I Need the Money Before My Child Goes to College?

You can take money from your Account at any time. Under federal income tax law, the earnings portion of any money not used for qualified higher education expenses and not rolled over to another 529 Plan account for the benefit of the same Beneficiary or a "member of the family" of the original Beneficiary will be taxed as income to the Distributee, and will generally be subject to a federal penalty tax. For distributions from 2002 through 2010, the amount of the distribution will not be reduced, but a federal penalty tax equal to 10% of the investment gains distributed will apply.* For distributions after 2010, a penalty will be deducted from the distribution and paid to the Trustee.* Also, for any Non-Qualified Distributions, a CDSC may be imposed on any Old Class B and Class B Units and on some of the Old Class A, Class A and C Units you redeem. The penalty tax is discussed below.

Are There Any Exceptions to the Penalty?

Yes. If your child receives a scholarship and you don't need all the money in your Account to pay qualified higher education expenses there is no penalty, so long as you don't take out more than the value of the scholarship. There is also no penalty in the event that your child becomes disabled or dies. In addition, there is also no penalty tax in the event you roll over your account to another 529 Plan account for the benefit of the same Beneficiary or a "member of the family" of the original Beneficiary. Amounts not used to pay qualified higher education expenses are still subject to federal income tax, even if the penalty tax does not apply.

What if My Child Does Not Go to College?

You can name another member of the child's family as the new Beneficiary of the Account without any negative income tax consequences. This might be the original Beneficiary's brother, sister, parent, child, spouse, first cousin or other family member. However, if the new Beneficiary is a member of a younger generation than the original Beneficiary, a federal gift and/or generation skipping tax may apply for the year in which the Beneficiary change is made. The same person can be both the Participant and the Beneficiary. Family members are described below. The Beneficiary of a UGMA/UTMA 529 Plan Account cannot be changed. UGMA/UTMA 529 Plan Account assets must be used for the benefit of the minor/Beneficiary.

Unless you instruct us otherwise, for any money that is invested in an Age-Based Portfolio, if the new Beneficiary is a different age than the original Beneficiary, the money in the Age-Based Portfolio will be transferred to the Age-Based Portfolio designed for Beneficiaries who are the age of the new Beneficiary, and any money that is invested in a Static Allocation Portfolio or an Individual Fund Portfolio will remain in that Portfolio following a change of Beneficiary. At the time a Beneficiary change is made, the contributions and earnings previously invested for the original Beneficiary may be reallocated to a different Portfolio mix for the new Beneficiary. If there are already other Accounts open for the benefit of the new Beneficiary, you may be limited in how much of your Account can be used for the new Beneficiary. See *"The Portfolios"* on page 13.

You also may request a distribution of money from your Account. However, such amounts may be subject to federal income tax, as well as to the 10% federal penalty tax. See *"What if I Need the Money Before My Child Goes to College?"*

Who is a Family Member of the Beneficiary?

A family member is a person who has one of the following relationships with the Beneficiary: (1) son or daughter or descendant of either; (2) stepson or stepdaughter; (3) brother, sister, stepbrother, or stepsister; (4) father or mother, or an ancestor of either; (5) stepfather or stepmother; (6) son or daughter of a brother or sister; (7) brother or sister of father or mother; (8) son- or daughter-in-law, father- or mother-in-law, brother- or sister-in-law; (9) spouses of the individuals listed in (1)-(8) and the spouse of the Beneficiary; and (10) any first cousin*. A legally adopted child is treated as the child of the adoptive parent as if by blood. The terms "brother" and "sister" include half-brothers and half-sisters.

How Do I Know How Much My Account Is Worth?

Visit www.AdvisorXpress.com and log on using your user identification and password or call us at 800-522-7297 between 8:30 a.m. and 7:00 p.m. Monday through Friday. Unit values are updated each day that the New York Stock Exchange is open for business. We will also send you an account statement at least once each quarter with a description of your Account activity and the value of your Account.

You should verify the accuracy of your confirmation statements immediately after you receive them and notify us promptly of any discrepancies as we will not be responsible for resulting losses after 10 calendar days from the mailing of the report.

Can I Borrow Money from the Plan?

No. The Plan will not make any loans.

Can I Use the Money in My Account as Security for a Loan?

No. Federal tax law prohibits pledging, assigning, or otherwise using your Account as collateral for a loan.

How Will an Investment in the Plan Affect Eligibility for Financial Aid?

The U.S. Department of Education has issued a number of letters regarding the treatment of 529 Accounts for the purpose of federal financial aid methodology. According to these letters, an Account will be treated as an asset of the Participant, not as an asset of the Beneficiary. Thus, for purposes of determining a student's eligibility for federal financial aid, an Account will be treated like other investment assets of the Participant (such as savings accounts, mutual funds, stocks, bonds, and other securities), which may or may not affect the student's eligibility for federal financial aid. In addition, if the earnings portion of a distribution is included in the taxable income of a Participant or Beneficiary, this might affect a student's eligibility for financial aid in the subsequent year. You may wish to consult a financial aid advisor or the financial aid department of a particular school. See *"Federal Financial Aid Treatment of Plan Accounts"* on page 40.

How Will a UGMA/UTMA 529 Plan Account Affect the Beneficiary's Eligibility for Federal Financial Aid?

Since a UGMA/UTMA 529 Plan Account belongs to the Beneficiary, its value will be included in calculating the Beneficiary's eligibility for federal financial aid. The treatment will be less favorable than for non-custodial 529 assets. See *"Federal Financial Aid Treatment of Plan Accounts"* on page 40.

What Do I Do if My Child Graduates from College, Does Not Plan on Further Education, and There Is Money Left in My Account?

You have several choices. You can change the Account so that it is for the benefit of a member of the Beneficiary's immediate family as defined in the federal tax laws. This change will not be subject to federal income tax. However, the Beneficiary of a UGMA/UTMA 529 Plan account can not be changed. UGMA/UTMA 529 Plan account assets must be used for the benefit of the minor/Beneficiary.

If you do not change the Beneficiary, you must notify Fidelity and distribute the remaining balance in the Account. You will be subject to income taxes, and unless the balance is the result of a scholarship for your child or your child's death or disability, the federal penalty tax of 10% on investment gains distributed will apply. Also, for any Non-Qualified Distribution, a CDSC may be imposed on any Old Class B and Class B Units you redeem and on certain Old Class A, Class A and Class C Units.

How Do I Make a Rollover from Another 529 Plan to the Fidelity Advisor 529 Plan?

Under federal tax laws, only one 529 account for a beneficiary can be rolled over in any twelve month period without changing the beneficiary.* This is true even if the accounts are in different 529 Plans or have different Participants. However, there is no such timing restriction with respect to any rollover in which the Beneficiary is changed to a member of the family of the original Beneficiary. If you have a Fidelity-managed or non-Fidelity-managed 529 Plan account that

you want to roll over to the Fidelity Advisor 529 Plan, you can use the Fidelity Advisor 529 Rollover Form that is available on advisorexpress.com to make your 529 Plan rollover. Your rollover must be completed within 60 days of the distribution of the money.

Non-qualified distributions will be subject to a federal penalty tax equal to 10% of the investment gains distributed and a possible CDSC. Federal income tax will also be due on the amount of investment gains distributed.

The Plan also will accept direct transfers from other 529 Plans.

If the contribution is a rollover, you must provide us with the appropriate rollover documentation. Until such documentation is provided, the IRS requires us to treat the contribution as a rollover that consists entirely of earnings that may be taxable upon withdrawal. See *"Rollovers and Transfers"* on page 39.

Can I Transfer My Account to Another Participant?

Although you are allowed to rename the Beneficiary of the Account, transfers of the Account to another Participant, during your lifetime, are not allowed. If you want someone else to have the money, you can distribute the money from the account and give it to them. There will be federal and state taxes on any investment gains distributed, and a federal penalty tax equal to 10% of any investment gains distributed will apply. Also for any Non-Qualified Distribution a CDSC may be imposed on any Old Class B and Class B Units you redeem and on certain Old Class A, Class A and C Units. Transfer of money to another person may be subject to federal gift tax. Assets in UGMA/UTMA Accounts must be used for the benefit of the minor/Beneficiary.

Who Will Control My Account if I Die With Money in My Account?

You may pass control of your Account by using the Fidelity Advisor 529 Successor Participant Designation Form. Control of your Account will pass according to the terms of your will only if you do not use the Successor Participant form. If you do not use the Successor Participant form and do not make any provision in your will, control will pass by operation of law. A Successor Participant cannot be named on a UGMA/UTMA 529 Plan Account. For a UGMA/UTMA 529 Plan Account, a custodian may at any time designate a successor custodian by naming a successor in his or her will and designating a letter of designation before a notary.

If a custodian should die or become incapacitated without effectively naming a successor custodian, the following may occur: If the minor has attained the age of fourteen, the minor may designate a successor custodian by executing and dating a letter designating a successor custodian before a notary; or if the minor has not attained the age of fourteen, the guardian of the minor becomes the successor custodian. For this purpose, guardian is defined as a person appointed by a court to act as a guardian of the minor's property or a person legally authorized to perform substantially the same functions. Evidence of the guardian's status will be required. If the minor has no guardian or the guardian declines to act, the legal representative of the custodian, an adult member of the minor's family or any

other interested person may petition the court to designate a successor custodian. If this were to happen, we would require a certified copy of the appointment of the successor custodian by the court. See *"Federal Gift and Estate Taxes"* on page 39.

Can the Plan Change the Terms of My Participation Agreement?

The Plan can change the terms of the Participation Agreement if the Advisory Commission believes that a change is necessary in order to keep the Plan in compliance with federal tax law and preserve the favorable tax treatment of your Account. There may also be changes to the investment options offered, or the pricing of those options. This will only occur with the approval of The Advisory Commission and a change to the Participation Agreement.

What is the Fidelity Investments 529 College RewardsSM Card?

Fidelity Investments and MBNA America Bank, N.A. have launched the Fidelity Investments 529 College Rewards MasterCard[®] credit card (the "Card") issued and administered by MBNA America Bank, N.A. Cardholders can earn two percent (2%) on eligible net retail purchases when invested in a Fidelity Advisor 529 Plan account. See *"Fidelity Investments 529 College Rewards Card"* on page 37.

How Safe Is My Account?

The money in your Account will be held in the Trust, which is a legal trust established under the laws of the State of New Hampshire. Assets of the Trust are held "in trust" for the exclusive benefit of Participants and Beneficiaries under the Trust. However, there is no guarantee that your Account will not lose value.

The Portfolios will be audited each year by an independent public accountant selected by the State of New Hampshire. Results of the audit will be reviewed by the New Hampshire State Treasurer, who serves as the Trustee of the Trust, and the Advisory Commission. The next audit for the Portfolios will be conducted after the fiscal year ending on September 30, 2003.

NO PERSON IS AUTHORIZED TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THIS OFFERING OTHER THAN THOSE CONTAINED IN THE FACT KIT.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION, NOR WITH ANY STATE SECURITIES COMMISSIONS. PROSPECTUSES FOR THE MUTUAL FUNDS HELD BY THE PORTFOLIOS ARE AVAILABLE UPON REQUEST BY CALLING FIDELITY AT 1-800-522-7297, OR VISITING ADVISORXPRESS.COM/FUNDS.

PART II – MORE ABOUT HOW YOUR MONEY IS INVESTED, THE TRUST, MANAGEMENT AND SERVICE CONTRACTS, AND TAXES

The Portfolios

You may allocate contributions to one or more of the Plan's 21 current Portfolios. You choose the Portfolio or Portfolios for each contribution, with the assistance of your investment professional. There is no limit on how many Portfolios your Account can be invested in. You may allocate a particular contribution to multiple Portfolios. Once each calendar year, you can give us instructions to transfer among Portfolios. You can also transfer on a change of Beneficiary. Your instructions may be to transfer among specified Portfolios in specified amounts on a monthly, quarterly, semi-annual, or annual basis ("Dollar Cost Averaging"). Each time a Portfolio receives money in a Dollar Cost Averaging transfer, it must receive at least \$50, unless the Portfolio that is the source for the transfer has less than \$50. In that case, we will take the remaining amount in the source Portfolio, and Dollar Cost Averaging transactions from that Portfolio based on your original instructions will no longer take place. Dollar Cost Averaging does not ensure a profit or protect against a loss in a declining market. The Beneficiary of a UGMA/UTMA 529 Plan Account cannot be changed. Each Portfolio is dedicated exclusively to the management of the assets contributed by donors for ultimate direction to qualified higher education expenses.

There are three types of Portfolios. The first type of Portfolio ("Age-Based Portfolio") is designed to accommodate Beneficiaries of similar ages. The second type of Portfolio ("Static Allocation Portfolio") is designed to accommodate Beneficiaries without regard to age. The third type of Portfolio ("Individual Fund Portfolio") invests in a single mutual fund and is designed to accommodate Beneficiaries without regard to age.

The investment objective of each Age-Based Portfolio is capital appreciation with reasonable safety of principal, consistent with the ages of the Beneficiaries for whom the Portfolio was designed. However, you are not required to choose a Portfolio based on your Beneficiary's age. For Portfolios designed for younger Beneficiaries, greater emphasis is placed on capital appreciation. For Portfolios designed for older Beneficiaries, Strategic Advisers places a greater emphasis on preservation of capital.

Based on an asset allocation approved by the State of New Hampshire, Fidelity manages eight Age-Based Portfolios, each with a mix of stock, bond, and money market mutual funds. Seven of these Portfolios will have a target date and move progressively from a greater to a lesser exposure in the equity market as the target date nears. As the equity exposure declines, bond and money market exposure increases. The eighth Age-Based Portfolio has a stable asset allocation.

There are two Static Allocation Portfolios. The investment objective of the 100% Equity Portfolio is growth of capital over the long term. It will be invested 100% in equity mutual funds at all times. The investment objective of the 70% Equity Portfolio is to maximize total return over the long term by allocating its assets among stock and bond mutual funds. It will be invested approximately 70% in equity mutual funds and 30% in bond mutual funds at all times.

There are 11 Individual Fund Portfolios. The investment objective of each Portfolio is the same as the investment objective of the single mutual fund in which it invests. The Portfolios range from a money market investment option to an international equity investment option.

The asset allocation strategy you choose should be based on your investment objectives, risk tolerance, time horizon and other factors you determine to be important. Different asset allocations offer different balances between risk and potential returns. Generally, the greater the stock allocation, the greater the potential for long-term returns and the greater the risk of volatility, especially over the short-term. Conversely, the greater the allocations to bonds and/or short-term investments, the lower the potential for high long-term returns but the lower the short-term risks.

If you determine in the future that a different asset allocation would be more appropriate, you may invest future contributions in a different Portfolio or Portfolios at any time. Once each calendar year, you can give us instructions to transfer among portfolios. You can also transfer on a change of Beneficiary. Your instructions may be to transfer among specified Portfolios in specified amounts on a monthly, quarterly, semi-annual, or annual basis. Each time a Portfolio receives money in a Dollar Cost Averaging transfer, it must receive at least \$50, unless the Portfolio that is the source for the transfer has less than \$50. In that case, we will take the remaining amount in the source Portfolio, and Dollar Cost Averaging transactions from that Portfolio based on your original instructions will no longer take place. Dollar Cost Averaging does not ensure a profit or protect against a loss in a declining market. The Beneficiary of a UGMA/UTMA 529 Plan Account cannot be changed.

Unless you instruct us differently, for any money that is invested in an Age-Based Portfolio, if you change the Beneficiary and the new Beneficiary is a different age than the original Beneficiary, the money in the Age-Based Portfolio will be transferred to the Age-Based Portfolio designed for Beneficiaries who are the age of the new Beneficiary, and any money that is invested in a Static Allocation Portfolio or an Individual Fund Portfolio will remain in that Portfolio following a change of Beneficiary. At the time a Beneficiary change is made, the contributions and earnings previously invested for the original Beneficiary may be reallocated to a different Portfolio mix for the new Beneficiary. If there are already other Accounts open for the benefit of the new Beneficiary, you may be limited in how much of your Account can be used for the new Beneficiary.

If the new Beneficiary is not a member of the family of the original Beneficiary, a change of Beneficiary will be treated for federal income tax purposes as a Non-Qualified Distribution from the Plan. The Beneficiary of a UGMA/UTMA 529 Plan Account cannot be changed. See *"Federal Income Taxation of Distributions"* on page 38.

Since the Trust has limits on how much can be invested on behalf of each Beneficiary in order to comply with federal income tax law, it is possible that you might not be able to use some or all of the

money in the Account for the new Beneficiary. If not all the money in the Account can be designated for use by the new Beneficiary, you will be required to open a new account for the new Beneficiary and transfer to the new account the amount that can be used for the new Beneficiary. Any amount that cannot be used for the new Beneficiary will not be transferred.

Each Portfolio with a year in its name invests according to an asset allocation strategy that becomes increasingly conservative over time until the Portfolio's target allocation nearly matches the College Portfolio's target allocation. The College Portfolio is designed for Beneficiaries of college age and has the most conservative asset allocation of all the Plan's Age-Based Portfolios. This will happen in the year in which the youngest Beneficiary for whom the Portfolio is designed will reach age 18. Then, the Portfolio with a year in its name will cease to exist and the assets in the Account will be transferred to College Portfolio and will be invested in College Portfolio for so long as the Account remains open.

Each Age-Based and Static Allocation Portfolio seeks to achieve its investment objective by investing in a combination of Fidelity Advisor Funds and Fidelity Cash Reserves fund ("Fidelity funds"). The Individual Fund Portfolios each seeks to achieve its investment objective by investing in a single Fidelity fund. The investment adviser of the underlying Fidelity funds is Fidelity Management & Research Company ("FMR"). Strategic Advisers chooses the particular Fidelity funds in which each Portfolio invests. Both FMR and Strategic Advisers are part of the group of companies commonly known as Fidelity Investments.

The performance of each Portfolio depends on the performance of the Fidelity fund(s) in which it invests. The performance of the Fidelity funds, in turn, depends on the performance of the stock, bond, and money markets in the U.S. and abroad. The value of each Portfolio will vary from day to day, reflecting changes in these markets and in the values of the Fidelity funds. When you redeem Units of a Portfolio, they may be worth more or less than what you paid for them. Neither the State of New Hampshire nor anyone else makes any guarantees concerning the assets in an Account or the Account's investment performance.

The Portfolios with years in their names are designed to provide moderate asset allocation programs for investors saving for the qualified higher education expenses of Beneficiaries. An investment in any Portfolio or combination of Portfolios, however, will not provide an appropriate balanced investment program for all investors. You should evaluate the Portfolios in the context of your overall financial situation, investment goals, and other investments. If you consider yourself an especially aggressive or conservative investor, you may want to save for higher education by making additional investments outside the Plan to achieve the balance that is best for you. You should consult your investment professional if you are uncertain as to which Portfolio or combination of Portfolios to select for your Account or if you wish to evaluate your individual financial circumstances.

Investment Program

Each Age-Based and Static Allocation Portfolio seeks to achieve its investment objective by allocating its assets among Fidelity funds. Each Individual Fund Portfolio's investment objective is the same as the investment objective of the Fidelity fund in which it invests. The Fidelity funds fall into three broad investment categories: equity (stock) funds, fixed-income (bond) funds, and a money market fund. There are two subcategories for the equity funds – domestic and international, and two subcategories for the fixed-income funds – investment grade and high income. For additional information about the Fidelity funds, refer to "*Securities and Investment Practices*" of the Portfolios beginning on page 28.

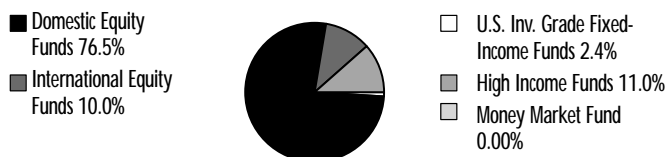
For the seven Portfolios with years in their names, the percentage of assets that each Portfolio invests in each of these categories depends on the age of the Beneficiaries for whom the Portfolio is designed. For example, Portfolio 2022, which is designed for Beneficiaries born between 2003 and 2005, has a relatively aggressive target asset allocation, with a substantial investment in equity funds and a modest investment in fixed-income funds. By contrast, Portfolio 2004, which is designed for Beneficiaries born between 1985 and 1987, has a relatively conservative target asset allocation, investing less than half of its assets in equity funds and the majority of its assets in fixed-income and money market funds.

The charts that follow illustrate the target asset allocation of the Portfolios as of March 31, 2004. Totals may not equal 100% due to rounding.

Age-Based Portfolios. Seven of these eight Portfolios (2022, 2019, 2016, 2013, 2010, 2007, 2004) have a target date and move progressively from a greater to a lesser exposure in equity markets as the target date nears. The eighth Portfolio (College Portfolio) has a stable asset allocation.

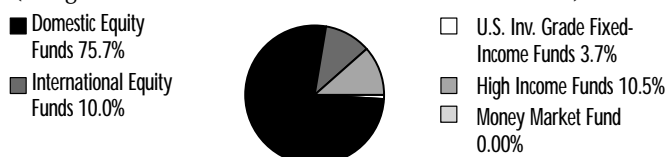
Fidelity Advisor 529 Portfolio 2022

(Designed for Beneficiaries born between 2003 and 2005)



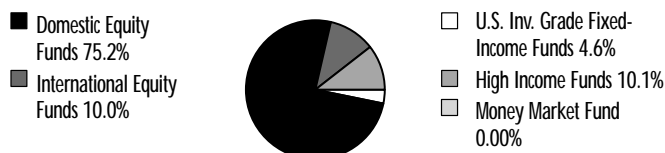
Fidelity Advisor 529 Portfolio 2019

(Designed for Beneficiaries born between 2000 and 2002)



Fidelity Advisor 529 Portfolio 2016

(Designed for Beneficiaries born between 1997 and 1999)



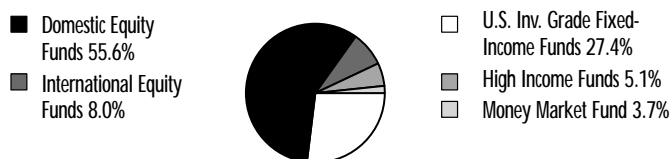
Fidelity Advisor 529 Portfolio 2013

(Designed for Beneficiaries born between 1994 and 1996)



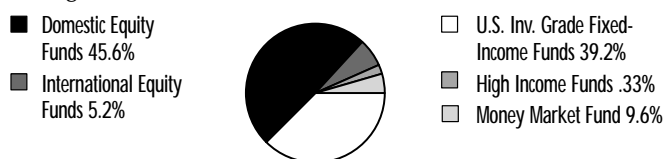
Fidelity Advisor 529 Portfolio 2010

(Designed for Beneficiaries born between 1991 and 1993)



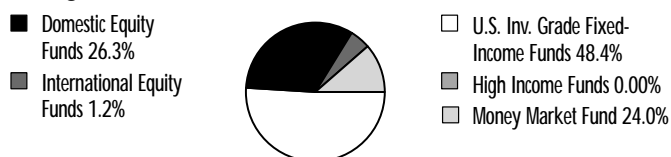
Fidelity Advisor 529 Portfolio 2007

(Designed for Beneficiaries born between 1988 and 1990)



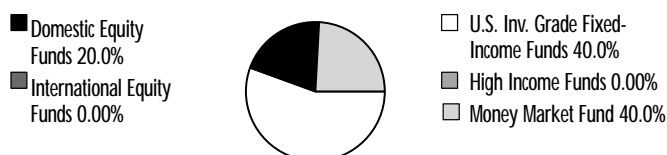
Fidelity Advisor 529 Portfolio 2004

(Designed for Beneficiaries born between 1985 and 1987)



Fidelity Advisor 529 College Portfolio

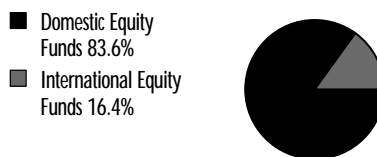
(Designed for Beneficiaries born in 1984 and earlier)



Static Allocation Portfolios. The two Static Allocation Portfolios (100% Equity Portfolio and 70% Equity Portfolio) have a stable asset allocation.

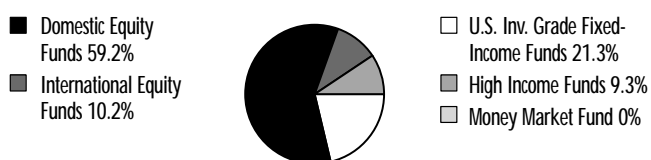
Fidelity Advisor 529 100% Equity Portfolio

(Designed for Beneficiaries of any age)



Fidelity Advisor 529 70% Equity Portfolio

(Designed for Beneficiaries of any age)



Individual Fund Portfolios

Each of the 11 Individual Fund Portfolios has the same investment objective as the Fidelity fund in which it invests and is designed for Beneficiaries of any age, based on the investment objectives of the Participant. Each of these Portfolios invests in one of the following Fidelity funds.

International Equity Portfolio

FA Diversified International Fund

Domestic Equity Portfolios

FA Dividend Growth Fund

FA Equity Growth Fund

FA Equity Income Fund

FA Mid Cap Fund

FA Small Cap Fund

FA Value Strategies Fund

Fixed-Income Portfolios

FA High Income Fund

FA Inflation-Protected Bond Fund

FA Intermediate Bond Fund

Money Market Portfolio

Fidelity Cash Reserves

Expenses

The value of an Account will be reduced by certain expenses. They may be grouped into two categories. First, there are fees payable under the Participation Agreement between the Participant and the Trust. Second, there are expenses associated with each Portfolio's investments in the Fidelity funds.

Each investment portfolio of the Trust is subject to a basic daily charge at an annual rate of 0.30% of its net assets. The Trust pays half of this fee to Strategic Advisers for its services in allocating the Portfolios' assets among the Fidelity funds. The Trust pays Fidelity additional money for distribution of Units. Fidelity in turn pays the firms that sell interests in the Plan. See *"Sale of Units"* on page 36 for a description of the fees paid to the firms in connection with the sale of Units.

The Participation Agreement also provides for an annual Account fee that is currently \$30, assessed on each anniversary of the date the Account was opened. The \$30 annual Account fee is waived and not imposed for any year in which: (i) the Account or a Related Account (defined below) is subject to an election by the Participant to make additional systematic monthly or quarterly investments by electronic funds transfers during the entirety of such year; or (ii) the total asset value of the Account and any Related Accounts equals or exceeds \$25,000. For purposes of this provision, the term "Related Account" means any Account that is established for the same Beneficiary. The Trust pays Strategic Advisers an amount equal to the total of the annual account fees collected by the Trust. The annual account fee will be waived if:

- A systematic investing plan is established (including Government Allotments for military personnel); or
- The sum of one Beneficiary's assets in a single or in multiple accounts is equal to or greater than \$25,000

There are also fees that vary by Class of Units and Portfolio.

"Class A" Units

Old Class A Units: *Only available if purchased in an Account established before June 25, 2003*

Old Class A Units (formerly called Class A Units) purchased in an Account established before June 25, 2003 and invested in the Age Based or Static Allocation Portfolios have been renamed "Old Class A" Units. Old Class A Units are not available for purchase in Accounts established on or after June 25, 2003.

If you purchase Old Class A Units that invest in an Age-Based or Static Allocation Portfolio, you will automatically pay a maximum sales charge on each investment equal to 3.50% of the amount invested. Old Class A Units are also subject to an additional daily charge at an annualized rate of 0.25% of the value of your Old Class A Units.

Class A Units: *Only available if purchased in an Account established on or after June 25, 2003*

If you purchase Class A Units that invest in one of the following Portfolios, you will pay an immediate maximum sales charge on each investment equal to a certain percentage (see below) of the amount invested:

Age-Based and Static Allocation Portfolios:	5.75%
Individual Fund Portfolios:	
Equity	5.75%
Fidelity Advisor High Income Portfolio (or any successor portfolio)	4.75%
Fidelity Advisor Inflation-Protected Bond Portfolio (or any successor portfolio)	4.75%
Fidelity Advisor Intermediate Bond Portfolio (or any successor portfolio)	3.75%
Fidelity Money Market Portfolio (or any successor portfolio):	No sales charge ^A

^A However, if you later exchange those Units initially purchased in Fidelity Money Market Portfolio for another type of Class A Unit you will pay a sales charge as though you had purchased the other type of Class A Unit initially.

Class A Units are also subject to an additional daily charge at an annualized rate of a certain percentage (see below) of the value of your Class A Units:

Age-Based and Static Allocation Portfolios:	0.25%
Individual Fund Portfolios:	
Equity	0.25%
Fidelity Advisor High Income Portfolio (or any successor portfolio)	0.15%
Fidelity Advisor Inflation-Protected Bond Portfolio (or any successor portfolio)	0.15%
Fidelity Advisor Intermediate Bond Portfolio (or any successor portfolio)	0.15%
Fidelity Money Market Portfolio (or any successor portfolio)	0.25%

Sales Charges and Concessions

In certain circumstances, the Trustee may waive or reduce the sales charges applicable to Old Class A and Class A purchases. These waivers and reductions are at the discretion of the Trustee and may be modified at any time.

To qualify for an Old Class A or Class A sales charge waiver or reduction, you must notify Fidelity in advance of your purchase.

Load Waivers: The immediate sales charges will not apply to the purchase of Old Class A and Class A Units under the following situations:

1. Purchases by any employee of a firm, and any member of the immediate family of any such person, if such firm has in effect a Selling Agreement for the Fidelity Advisor 529 Plan with Fidelity Investments Institutional Services Company, Inc.;
2. Purchases with "Fidelity 529 Dollars" generated from the Fidelity Investments College RewardsSM MasterCard[®];
3. Purchases with proceeds from a rollover distribution from a non-Fidelity 529 program on which you have previously paid an immediate sales charge;
4. Purchases with redemption proceeds from Fidelity Advisor Funds or other mutual funds on which you previously paid an immediate sales charge.

Breakpoints: The immediate sales charge will be reduced for purchases of Old Class A and Class A Units according to the sales charge schedule below.

Old Class A: Age-Based and Static Allocation Portfolios

<u>Purchase Amounts</u>	<u>As a % of offering price</u>
Up to – \$49,999	3.50%
\$50,000 – \$99,999	3.00%
\$100,000 – \$249,999	2.50%
\$250,000 – \$499,999	1.75%
\$500,000 – \$999,999	1.50%
\$1,000,000 or more	0.00%

Class A: Age-Based Portfolios, Static Allocation Portfolios and Individual Fund Portfolios – Equity

<u>Purchase Amounts</u>	<u>As a % of offering price</u>
Up to – \$49,999	5.75%
\$50,000 – \$99,999	4.50%
\$100,000 – \$249,999	3.50%
\$250,000 – \$499,999	2.50%
\$500,000 – \$999,999	2.00%
\$1,000,000 or more	0.00%

Class A: Individual Fund Portfolios – Advisor High Income and Advisor Inflation-Protected Bond Funds

<u>Purchase Amounts</u>	<u>As a % of offering price</u>
Up to – \$49,999	4.75%
\$50,000 – \$99,999	4.50%
\$100,000 – \$249,999	3.50%
\$250,000 – \$499,999	2.50%
\$500,000 – \$999,999	2.00%
\$1,000,000 or more	0.00%

Class A: Individual Fund Portfolio – Advisor Intermediate Bond Fund

<u>Purchase Amounts</u>	<u>As a % of offering price</u>
Up to – \$49,999	3.75%
\$50,000 – \$99,999	3.00%
\$100,000 – \$249,999	2.25%
\$250,000 – \$499,999	1.75%
\$500,000 – \$999,999	1.50%
\$1,000,000 or more	0.00%

Combined Purchase and Rights of Accumulation: The following qualify as an “individual” for purposes of determining eligibility for the Combined Purchase and Rights of Accumulation programs: an individual, and spouse purchasing as Participant for his or her own Account.

Combined Purchase: To receive a Class A immediate sales charge reduction, if you are a new Participant, you may combine your initial purchase of Class A Units with purchases of: Class A, Class B, Class C, and Class P Units of any Fidelity Advisor 529 Portfolio.

Old Class A, Old Class B, and Class D Units are available only for Accounts established before June 25, 2003. For your purchases and holdings to be aggregated for the purposes of qualifying for the Combined Purchase program, they must be made on the same day through one investment professional.

Rights of Accumulation: To receive an Old Class A or Class A immediate sales charge reduction, if you are an existing Participant, you may add to your purchase of Old Class A or Class A Units the current value of your holdings in: Old Class A and Class A, Old Class B and Class B, Class C, Class D, and Class P Units of any Fidelity Advisor 529 Plan Portfolio. For your purchases and holdings to be aggregated for the purposes of qualifying for the Rights of Accumulation program, they must be made through one investment professional.

Reinstatement Privilege: If you have sold all or part of your Old Class A or Class A Units, you may reinvest an amount equal to all or a portion of the redemption proceeds in the same class of the Portfolio or another Fidelity Advisor 529 Plan Portfolio, at the Unit value without the sales charge next determined after receipt in proper form of your investment order, provided that such reinvestment is made within 90 days of redemption. This privilege may be exercised by a Participant only once per Portfolio and certain restrictions may apply.

Contingent Deferred Sales Charge: Certain Old Class A and Class A Units sold by investment professionals who receive a finder's fee will be subject to a contingent deferred sales charge of 1.00% of the lesser of the cost of the Units at the date of purchase or the value of the Units at the time of redemption. See “Sale of Units” on page 36 for a description of finder's fees.

“Class B” Units

You will not pay a sales charge at the time of purchase. Old Class B and Class B Units are subject to a daily charge and to a contingent deferred sales charge. These charges vary depending on the Portfolio.

For all Portfolios, the contingent deferred sales charge will not be charged if the redemption is used to pay for a Beneficiary's qualified higher education expenses or to any amount attributable to investment gains. In addition, the CDSC will not apply to withdrawals due to a Beneficiary's death, disability, or receipt of a scholarship. Also, the CDSC will not apply to any Old Class B or Class B Units purchased by exchanging other Old Class B or Class B Units. In such cases, the CDSC applicable to the originally purchased category of Old Class B or Class B Units will continue to apply instead.

You may not purchase Old Class B or Class B Units for an Account once the Beneficiary is age 14 or older. Purchase amounts of more than \$250,000 with a single investment will not be accepted for Old Class B or Class B Units.

Reinstatement Privilege: If you have sold all or part of your Old Class B or Class B Units you may reinvest an amount equal to all or a portion of the redemption proceeds in the same class of the Portfolio or another Fidelity Advisor 529 Portfolio, at the unit value next determined after receipt in proper form of your investment order, provided that such reinvestment is made within 90 days of redemption. Under these circumstances, the dollar amount of the CDSC you paid, if any, on Units will be reimbursed to you by reinvesting

that amount in Old Class B or Class B Units as applicable. This privilege may be exercised by a Participant only once per Portfolio and certain restrictions may apply. For purposes of the CDSC schedule, the holding period will continue as if the Old Class B or Class B Units had not been redeemed.

Old Class B Units

Only available if purchased in an Account established before June 25, 2003

Old Class B Units (formerly called Class B Units) purchased in an Account established before June 25, 2003 are invested in the Age-Based or Static Allocation Portfolios.

If you purchase Old Class B Units that invest in an Age-Based or Static Allocation Portfolio, the daily charge is at an annualized rate of 0.75%, and if you withdraw from your Account during the first six years you will be subject to a contingent deferred sales charge based on the following schedule:

From Date of Purchase	Contingent Deferred Sales Charge
Less than 1 year	2.50%
1 year to less than 2 years	2.00%
2 years to less than 3 years	2.00%
3 years to less than 4 years	1.50%
4 years to less than 5 years	1.00%
5 years to less than 6 years	0.50%

Conversion Feature: Old Class B Units automatically convert to Old Class A Units after a given period of time. Old Class B Units in Age-Based or Static Allocation Portfolios convert at the end of six years from the date of purchase.

Class B Units

Only available if purchased in an Account established on or after June 25, 2003

If you purchase Class B Units that invest in one of the following Portfolios, you are subject to a daily charge at an annualized rate of a certain percentage (see below) of the value of your Class B Units:

Age-Based and Static Allocation Portfolios:	1.00%
Individual Fund Portfolios:	
Equity	1.00%
Fidelity Advisor High Income Portfolio (or any successor portfolio)	0.90%
Fidelity Advisor Inflation-Protected Bond Portfolio (or any successor portfolio)	0.90%
Fidelity Advisor Intermediate Bond Portfolio (or any successor portfolio)	0.90%
Fidelity Money Market Portfolio (or any successor portfolio)	1.00%

Class B Units are also subject to a contingent deferred sales charge. If you purchase Class B Units in an Age-Based Portfolio, Static Allocation Portfolio or an Individual Fund Portfolio that invests in a single underlying equity mutual fund, Advisor High Income Fund, Advisor Inflation Protected Bond Fund or Fidelity Cash Reserves fund (or any of their successor funds) and you withdraw from your

account during the first seven years, you will be subject to a contingent deferred sales charge based on the following schedule:

From Date of Purchase	Contingent Deferred Sales Charge
Less than 1 year	5.00%
1 year to less than 2 years	4.00%
2 years to less than 3 years	3.00%
3 years to less than 4 years	3.00%
4 years to less than 5 years	2.00%
5 years to less than 6 years	1.00%
6 years to less than 7 years	0.00%

If you purchase Class B Units in an Individual Fund Portfolio that invests solely in the Fidelity Advisor Intermediate Bond Fund (or any successor fund) and you withdraw from your Account during the first four years you will be subject to a contingent deferred sales charge based on the following schedule:

From Date of Purchase	Contingent Deferred Sales Charge
Less than 1 year	3.00%
1 year to less than 2 years	2.00%
2 years to less than 3 years	1.00%
3 years to less than 4 years	0.00%

Conversion Feature: Class B Units automatically convert to Class A Units after a given period of time. Class B Units in an Age-Based Portfolio, Static Allocation Portfolio, Individual Fund Portfolio that invests in a single underlying equity fund, Fidelity Advisor High Income Fund, Fidelity Advisor Inflation-Protected Bond Fund or Fidelity Cash Reserves fund (or any of their successor funds) convert at the end of seven years from the date of purchase. Class B Units in an Individual Fund Portfolio that invests solely in Fidelity Advisor Intermediate Bond Fund (or any successor fund) convert four years from the date of purchase. No sales charge will be imposed as a result of such conversion.

Class C Units

You will not pay a sales charge at the time of purchase. Class C Units are subject to a daily charge and a CDSC. The CDSC will not be charged if the redemption is used to pay for a Beneficiary's qualified higher education expenses or to any amount attributable to investment gains. In addition, the CDSC will not be charged to withdrawals due to a Beneficiary's death, disability, or receipt of a scholarship. Also, the CDSC will not be charged to any Class C Units purchased by exchanging other Class C Units. In such cases, the CDSC applicable to the originally purchased category of Class C Units will continue to apply instead.

If you purchase Class C Units, the daily charge will be at an annualized rate of 1.00%, and if you redeem any such Class C Units within a year of purchase, you will also be subject to a CDSC of 1.00% of any amount withdrawn.

Reinstatement Privilege: If you have sold all or part of your Class C Units you may reinvest an amount equal to all or a portion of the redemption proceeds in the same class of the Portfolio or another Fidelity Advisor 529 Portfolio, at the Unit value next determined after receipt in proper form of your investment order, provided that such reinvestment is made within 90 days of redemption. Under these circumstances, the dollar amount of the CDSC you paid, if any, on Units will be reimbursed to you by reinvesting that amount in Class C Units as applicable. This privilege may be exercised by a Participant only once per Portfolio and certain restrictions may apply. For purposes of the CDSC schedule, the holding period will continue as if the C Units had not been redeemed.

Class D Units

Only available if purchased in an Account established before June 25, 2003.

If you purchase Class D Units, you will not pay a sales charge at the time of purchase. Class D Units are subject to a daily charge at an annualized rate of 0.50%. Class D Units are not available for purchase in Accounts established on or after June 25, 2003.

Class P Units

You will not pay a sales charge at the time of purchase. Class P Units are subject to a daily charge at an annualized rate of 0.75%. Class P Units are only available through the Plan's Workplace Savings Program. The Workplace Savings Program gives the employer a choice between offering employees Fidelity Advisor 529 through payroll deduction (contributing to Fidelity Advisor 529 through their paychecks) or through Electronic Funds Transfer (EFT), establishing a systematic investment plan through employees' bank accounts.

Each Portfolio will also indirectly bear its pro rata share of the fees and expenses incurred by the mutual funds in which it invests. Each Portfolio's investment return will be net of the Fidelity funds' expenses. The following charts provides the total operating expense ratios for the Fidelity funds, before reimbursements and expenses are offset, and the Portfolios, before and after reimbursement. The expense ratio figures for the Fidelity funds are based on historical expenses for each Fidelity fund's most recently reported fiscal year end and are calculated as a percentage of average net assets of each Fidelity fund. Where appropriate, expense ratios are adjusted to reflect current fees.

Fidelity Fund Expense Ratios* as of 3/31/03

<u>Fidelity Fund*</u>	<u>Expense Ratio</u>
International Equity Funds	
Fidelity Advisor Diversified International Fund	1.11%
Fidelity Advisor Overseas Fund	1.14%
Domestic Equity Funds	
Fidelity Advisor Dividend Growth Fund	0.78%
Fidelity Advisor Equity Growth Fund	0.76%
Fidelity Advisor Equity Income Fund	0.69%
Fidelity Advisor Growth & Income Fund	0.73%
Fidelity Advisor Large Cap Fund	0.88%
Fidelity Advisor Mid Cap Fund	0.82%
Fidelity Advisor Small Cap Fund	1.00%
Fidelity Advisor Value Strategies Fund	0.87%
Fixed-Income Funds	
Fidelity Advisor Government Investment Fund	0.69%
Fidelity Advisor High Income Advantage	0.85%
Fidelity Advisor High Income Fund	0.96%
Fidelity Advisor Inflation-Protected Bond Fund	0.78%
Fidelity Advisor Intermediate Bond Fund	0.67%
Fidelity Advisor Short Fixed-Income Fund	0.64%
Money Market Fund	
Fidelity Cash Reserves	0.39%

* Fidelity Advisor Fund expense ratios are shown for Class I.

Fidelity Advisor 529 Plan Portfolio Expense Ratios – As of March 31, 2003

Class A

	Ratios Before Expense Reductions	Ratios After Expense Reductions
FA 529 College Portfolio*	1.18%	1.17%
FA 529 Portfolio 2004*	1.26%	1.23%
FA 529 Portfolio 2007*	1.31%	1.28%
FA 529 Portfolio 2010*	1.35%	1.31%
FA 529 Portfolio 2013*	1.37%	1.33%
FA 529 Portfolio 2016*	1.39%	1.34%
FA 529 Portfolio 2019*	1.39%	1.34%
FA 529 Portfolio 2022*	1.40%	1.34%
FA 529 70% Equity Portfolio*	1.37%	1.33%
FA 529 100% Equity Portfolio*	1.41%	1.35%
FA 529 Diversified International Portfolio	1.66%	1.62%
FA 529 Dividend Growth Portfolio	1.33%	1.28%
FA 529 Equity Growth Portfolio	1.31%	1.23%
FA 529 Equity Income Portfolio	1.24%	1.19%

	Ratios Before Expense Reductions	Ratios After Expense Reductions
FA 529 Mid Cap Portfolio	1.37%	1.19%
FA 529 Small Cap Portfolio	1.55%	1.52%
FA 529 Value Strategies Portfolio	1.42%	1.35%
FA 529 High Income Portfolio	1.41%	1.30%
FA 529 Inflation-Protected Bond Portfolio	1.23%	0.95%
FA 529 Intermediate Bond Portfolio	1.12%	1.12%
FA 529 Money Market Portfolio	0.94%	0.94%

* Represents Expense Ratios for Old Class A Units.

Class B

	Ratios Before Expense Reductions	Ratios After Expense Reductions
FA 529 College Portfolio*	1.93%	1.92%
FA 529 Portfolio 2004*	2.01%	1.98%
FA 529 Portfolio 2007*	2.06%	2.03%
FA 529 Portfolio 2010*	2.10%	2.06%
FA 529 Portfolio 2013*	2.12%	2.08%
FA 529 Portfolio 2016*	2.14%	2.09%
FA 529 Portfolio 2019*	2.14%	2.09%
FA 529 Portfolio 2022*	2.15%	2.09%
FA 529 70% Equity Portfolio*	2.12%	2.08%
FA 529 100% Equity Portfolio*	2.16%	2.10%
FA 529 Diversified International Portfolio	2.41%	2.37%
FA 529 Dividend Growth Portfolio	2.08%	2.03%
FA 529 Equity Growth Portfolio	2.06%	1.98%
FA 529 Equity Income Portfolio	1.99%	1.94%
FA 529 Mid Cap Portfolio	2.12%	1.94%
FA 529 Small Cap Portfolio	2.30%	2.27%
FA 529 Value Strategies Portfolio	2.17%	2.10%
FA 529 High Income Portfolio	2.16%	2.05%
FA 529 Inflation-Protected Bond Portfolio	1.98%	1.70%
FA 529 Intermediate Bond Portfolio	1.87%	1.87%
FA 529 Money Market Portfolio	1.69%	1.69%

* Represents Expense Ratios for Old Class B Units.

Class C

	Ratios Before Expense Reductions	Ratios After Expense Reductions
FA 529 Diversified International Portfolio	2.41%	2.37%
FA 529 Dividend Growth Portfolio	2.08%	2.03%
FA 529 Equity Growth Portfolio	2.06%	1.98%
FA 529 Equity Income Portfolio	1.99%	1.94%
FA 529 Mid Cap Portfolio	2.12%	1.94%
FA 529 Small Cap Portfolio	2.30%	2.27%
FA 529 Value Strategies Portfolio	2.17%	2.10%
FA 529 High Income Portfolio	2.26%	2.15%
FA 529 Inflation-Protected Bond Portfolio	2.08%	1.80%
FA 529 Intermediate Bond Portfolio	1.97%	1.97%
FA 529 Money Market Portfolio	1.69%	1.69%

Class D

	Ratios Before Expense Reductions	Ratios After Expense Reductions
FA 529 College Portfolio	1.43%	1.42%
FA 529 Portfolio 2004	1.51%	1.48%
FA 529 Portfolio 2007	1.56%	1.53%
FA 529 Portfolio 2010	1.60%	1.56%
FA 529 Portfolio 2013	1.62%	1.58%
FA 529 Portfolio 2016	1.64%	1.59%
FA 529 Portfolio 2019	1.64%	1.59%
FA 529 Portfolio 2022	1.65%	1.59%
FA 529 70% Equity Portfolio	1.62%	1.58%
FA 529 100% Equity Portfolio	1.66%	1.60%

Class P

	Ratios Before Expense Reductions	Ratios After Expense Reductions
FA 529 College Portfolio	1.68%	1.67%
FA 529 Portfolio 2004	1.76%	1.73%
FA 529 Portfolio 2007	1.81%	1.78%
FA 529 Portfolio 2010	1.85%	1.81%
FA 529 Portfolio 2013	1.87%	1.83%
FA 529 Portfolio 2016	1.89%	1.84%
FA 529 Portfolio 2019	1.89%	1.84%
FA 529 Portfolio 2022	1.90%	1.84%
FA 529 70% Equity Portfolio	1.87%	1.73%
FA 529 100% Equity Portfolio	1.91%	1.85%
FA 529 Diversified International Portfolio	2.16%	2.12%
FA 529 Dividend Growth Portfolio	1.83%	1.78%
FA 529 Equity Growth Portfolio	1.81%	1.73%
FA 529 Equity Income Portfolio	1.74%	1.69%
FA 529 Mid Cap Portfolio	1.87%	1.69%
FA 529 Small Cap Portfolio	2.05%	2.02%
FA 529 Value Strategies Portfolio	1.92%	1.85%
FA 529 High Income Portfolio	2.01%	1.90%
FA 529 Inflation-Protected Bond Portfolio	1.83%	1.55%
FA 529 Intermediate Bond Portfolio	1.72%	1.72%
FA 529 Money Market Portfolio	1.44%	1.44%

Each Age-Based and Static Allocation Portfolio's total expense ratio will be based on its total operating expense ratio plus a weighted average of the expense ratios of the Class of Units of the Fidelity funds in which it invests. These total expense ratios may be higher or lower depending on the allocation of a Portfolio's assets among the Fidelity funds, and the actual expenses of the Fidelity funds. An Individual Fund Portfolio's total expense ratio will be based on its total operating expenses plus the average expense ratio of the Fidelity fund in which it invests.

The Trust has operating expenses, including, but not limited to, the Trustee's compensation and such expenses and charges for the services of the Trust's investment adviser, administrator, distributor, auditor, counsel, depository, custodian, accounting and servicing agent and such other agents, consultants and independent contractors and such other expenses and charges as the Trustee may deem necessary or proper to incur. Some of these expenses are borne by Fidelity, others are borne by the Trustee. These expenses do not reduce the daily Unit value of each Portfolio. See *"Additional Information Concerning Pricing, Purchase and Redemption of Units"* on page 26.

Investment Performance

The performance of each Portfolio will be measured as total return and/or yield. Each Portfolio's fiscal year runs from October 1 to September 30.

Total return is the change in value of an investment over a given period. A cumulative total return reflects actual performance over a stated period of time. An average annual total return is a hypothetical rate of return that, if achieved annually, would have produced the same cumulative total return if performance had been constant over the entire period. Average annual total returns smooth out variations in performance; they are not the same as actual year-by-year results. Average annual total returns covering periods of less than one year assume that performance will remain constant for the rest of the year.

Yield refers to the income generated by an investment over a given period of time, expressed as an annual percentage rate. Yields are calculated according to a formula that is required for all stock and bond mutual funds.

Historical performance for each class of units for each Fidelity Advisor 529 Plan Portfolio appears in the following tables. Once each year you will be sent a detailed financial report showing the Portfolios' recent asset allocations, performance, and holdings. For current performance or a free annual report call 1-800-522-7297 or visit www.AdvisorXpress.com.

The tables on the next page show the average annual total returns and cumulative total returns for the past "1-year", and Life of Portfolio ("LOP") periods for each class of Units, in addition to the inception date of the Portfolio. Performance figures are as of March 31, 2003 and are net of applicable sales loads. Prospectuses for the Fidelity mutual funds in which the Portfolios invest are available upon request. Returns are based on past performance and are not an indication of future performance. Unit values will vary.

Total returns and yields are based on past results and are not an indication of future performance.

Fidelity Advisor 529 Plan Average Annual Returns and Cumulative Returns as of 3/31/03

Class A Portfolio Performance

<u>Name</u>	<u>Average Annual Returns</u>		<u>Cumulative Returns</u>		<u>Inception Date</u> ***
	<u>1Year</u>	<u>LOP</u> **	<u>1 Year</u>	<u>LOP</u> **	
FA 529 College Portfolio*	-2.93%	-0.71%	-2.93%	-1.18%	7/25/2001
FA 529 Portfolio 2004*	-7.54%	-4.44%	-7.54%	-7.36%	7/25/2001
FA 529 Portfolio 2007*	-12.94%	-8.34%	-12.94%	-13.63%	7/25/2001
FA 529 Portfolio 2010*	-16.52%	-10.93%	-16.52%	-17.69%	7/25/2001
FA 529 Portfolio 2013*	-19.99%	-13.31%	-19.99%	-21.35%	7/25/2001
FA 529 Portfolio 2016*	-22.66%	-15.35%	-22.66%	-24.44%	7/25/2001
FA 529 Portfolio 2019*	-23.18%	-15.73%	-23.18%	-25.02%	7/25/2001
FA 529 Portfolio 2022*	---	---	---	-7.36%	11/20/2002
FA 529 100% Equity Portfolio*	-27.06%	-18.14%	-27.06%	-28.59%	7/25/2001
FA 529 70% Equity Portfolio*	-17.45%	-10.99%	-17.45%	-17.78%	7/25/2001
FA 529 Diversified International Portfolio	---	---	---	-22.43%	6/10/2002
FA 529 Dividend Growth Portfolio	---	---	---	-21.58%	6/10/2002
FA 529 Equity Growth Portfolio	---	---	---	-25.26%	6/10/2002
FA 529 Equity Income Portfolio	---	---	---	-24.03%	6/10/2002
FA 529 Mid Cap Portfolio	---	---	---	-21.21%	6/10/2002
FA 529 Small Cap Portfolio	---	---	---	-24.98%	6/10/2002
FA 529 Value Strategies Portfolio	---	---	---	-27.80%	6/10/2002
FA 529 High Income Portfolio	---	---	---	1.73%	6/10/2002
FA 529 Inflation-Protected Bond Portfolio	---	---	---	-0.18%	11/20/2002
FA 529 Intermediate Bond Portfolio	---	---	---	4.43%	6/10/2002
FA 529 Money Market Portfolio	---	---	---	0.60%	6/10/2002

* Reflects Old Class A Portfolio performance.

** "LOP" refers to Life of Portfolio.

*** Commencement of Operations Date.

Class B Portfolio Performance

<u>Name</u>	<u>Average Annual Returns</u>		<u>Cumulative Returns</u>		<u>Inception Date</u> ***
	<u>1Year</u>	<u>LOP**</u>	<u>1 Year</u>	<u>LOP**</u>	
FA 529 College Portfolio*	-2.30%	-0.89%	-2.30%	-1.50%	7/25/2001
FA 529 Portfolio 2004*	-7.11%	-4.40%	-7.11%	-7.29%	7/25/2001
FA 529 Portfolio 2007*	-12.46%	-7.93%	-12.46%	-12.98%	7/25/2001
FA 529 Portfolio 2010*	-16.12%	-10.29%	-16.12%	-16.70%	7/25/2001
FA 529 Portfolio 2013*	-19.58%	-12.83%	-19.58%	-20.62%	7/25/2001
FA 529 Portfolio 2016*	-22.22%	-14.70%	-22.22%	-23.46%	7/25/2001
FA 529 Portfolio 2019*	-22.68%	-15.15%	-22.68%	-24.15%	7/25/2001
FA 529 Portfolio 2022*	---	---	---	-6.59%	11/20/2002
FA 529 100% Equity Portfolio*	-26.60%	-17.59%	-26.60%	-27.77%	7/25/2001
FA 529 70% Equity Portfolio*	-17.02%	-10.92%	-17.02%	-17.68%	7/25/2001
FA 529 Diversified International Portfolio	---	---	---	-22.00%	6/10/2002
FA 529 Dividend Growth Portfolio	---	---	---	-21.15%	6/10/2002
FA 529 Equity Growth Portfolio	---	---	---	-25.43%	6/10/2002
FA 529 Equity Income Portfolio	---	---	---	-23.90%	6/10/2002
FA 529 Mid Cap Portfolio	---	---	---	-20.77%	6/10/2002
FA 529 Small Cap Portfolio	---	---	---	-24.76%	6/10/2002
FA529 Value Strategies Portfolio	---	---	---	-27.04%	6/10/2002
FA 529 High Income Portfolio	---	---	---	1.00%	6/10/2002
FA 529 Inflation-Protected Bond Portfolio	---	---	---	-0.40%	11/20/2002
FA 529 Intermediate Bond Portfolio	---	---	---	4.80%	6/10/2002
FA 529 Money Market Portfolio	---	---	---	-4.80%	6/10/2002

* Reflects Old Class B Portfolio performance.

** "LOP" refers to Life of Portfolio.

*** Commencement of Operations Date.

Class C Portfolio Performance

<u>Name</u>	<u>Average Annual Returns</u>		<u>Cumulative Returns</u>		<u>Inception Date**</u>
	<u>1Year</u>	<u>LOP*</u>	<u>1 Year</u>	<u>LOP*</u>	
FA 529 Diversified International Portfolio	---	---	---	-18.72%	6/10/2002
FA 529 Dividend Growth Portfolio	---	---	---	-17.83%	6/10/2002
FA 529 Equity Growth Portfolio	---	---	---	-21.99%	6/10/2002
FA 529 Equity Income Portfolio	---	---	---	-20.60%	6/10/2002
FA 529 Mid Cap Portfolio	---	---	---	-17.34%	6/10/2002
FA 529 Small Cap Portfolio	---	---	---	-21.59%	6/10/2002
FA529 Value Strategies Portfolio	---	---	---	-23.57%	6/10/2002
FA 529 High Income Portfolio	---	---	---	5.00%	6/10/2002
FA 529 Inflation-Protected Bond Portfolio	---	---	---	3.50%	11/20/2002
FA 529 Intermediate Bond Portfolio	---	---	---	6.80%	6/10/2002
FA 529 Money Market Portfolio	---	---	---	-0.90%	6/10/2002

* "LOP" refers to Life of Portfolio.

** Commencement of Operations Date.

Class D Portfolio Performance

<u>Name</u>	<u>Average Annual Returns</u>		<u>Cumulative Returns</u>		<u>Inception Date**</u>
	<u>1Year</u>	<u>LOP*</u>	<u>1 Year</u>	<u>LOP*</u>	
FA 529 College Portfolio	0.39%	1.07%	0.39%	1.80%	7/25/2001
FA 529 Portfolio 2004	-4.42%	-2.94%	-4.42%	-4.90%	7/25/2001
FA 529 Portfolio 2007	-10.10%	-6.69%	-10.10%	-11.00%	7/25/2001
FA 529 Portfolio 2010	-13.71%	-9.21%	-13.71%	-15.00%	7/25/2001
FA 529 Portfolio 2013	-17.30%	-11.90%	-17.30%	-19.20%	7/25/2001
FA 529 Portfolio 2016	-19.98%	-13.67%	-19.98%	-21.90%	7/25/2001
FA 529 Portfolio 2019	-20.49%	-14.26%	-20.49%	-22.80%	7/25/2001
FA 529 Portfolio 2022	---	---	---	-4.00%	11/20/2002
FA 529 100% Equity Portfolio	-24.65%	-15.99%	-24.65%	-25.40%	7/25/2001
FA 529 70% Equity Portfolio	-14.69%	-9.34%	-14.69%	-15.20%	7/25/2001

* "LOP" refers to Life of Portfolio.

** Commencement of Operations Date.

Class P Portfolio Performance

Name	Average Annual Returns		Cumulative Returns		Inception Date**
	1Year	LOP*	1 Year	LOP*	
FA 529 College Portfolio	0.20%	0.95%	0.20%	1.60%	7/25/2001
FA 529 Portfolio 2004	-4.52%	-3.00%	-4.52%	-5.00%	7/25/2001
FA 529 Portfolio 2007	-10.20%	-6.76%	-10.20%	-11.10%	7/25/2001
FA 529 Portfolio 2010	-14.01%	-9.40%	-14.01%	-15.30%	7/25/2001
FA 529 Portfolio 2013	-17.40%	-11.97%	-17.40%	-19.30%	7/25/2001
FA 529 Portfolio 2016	-20.18%	-13.80%	-20.18%	-22.10%	7/25/2001
FA 529 Portfolio 2019	-20.60%	-14.33%	-20.60%	-22.90%	7/25/2001
FA 529 Portfolio 2022	---	---	---	-4.00%	11/20/2002
FA 529 100% Equity Portfolio	-24.75%	-16.06%	-24.75%	-25.50%	7/25/2001
FA 529 70% Equity Portfolio	-14.79%	-9.40%	-14.79%	-15.30%	7/25/2001
FA 529 Diversified International Portfolio	---	---	---	-17.90%	6/10/2002
FA 529 Dividend Growth Portfolio	---	---	---	-17.10%	6/10/2002
FA 529 Equity Income Portfolio	---	---	---	-19.70%	6/10/2002
FA 529 Equity Growth Portfolio	---	---	---	-21.00%	6/10/2002
FA 529 Mid Cap Portfolio	---	---	---	-16.60%	6/10/2002
FA 529 Small Cap Portfolio	---	---	---	-20.50%	6/10/2002
FA 529 Value Strategies Portfolio	---	---	---	-23.50%	6/10/2002
FA 529 High Income Portfolio	---	---	---	6.40%	6/10/2002
FA 529 Inflation-Protected Bond Portfolio	---	---	---	4.60%	11/20/2002
FA 529 Intermediate Bond Portfolio	---	---	---	7.90%	6/10/2002
FA 529 Money Market Portfolio	---	---	---	0.20%	6/10/2002

* "LOP" refers to Life of Portfolio.

** Commencement of Operations Date.

The performance data relating to the Portfolios set forth above is not indicative of the future performance of the Portfolios.

UGMA/UTMA 529 Plan Accounts

A 529 Account may be established by the custodian of a minor under the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act. Only cash held in a UGMA/UTMA account may be used to invest in a UGMA/UTMA 529 Plan Account. As custodian, you can sell assets held in a UGMA/UTMA account and use the resulting cash to invest in a UGMA/UTMA 529 Plan Account, but the minor or the parent(s) may be subject to taxes on the assets that are liquidated. Federal law requires that all investments in a 529 plan account be made in cash. Checks are considered cash for this purpose and will be accepted.

The custodian of the UGMA/UTMA account will be the Participant of the UGMA/UTMA 529 Plan Account in his/her capacity as custodian, and the account will indicate that it is maintained under the

UGMA/UTMA 529 Plan registration. The Beneficiary of the original UGMA/UTMA account must be the Beneficiary of the UGMA/UTMA 529 Plan Account. Distributions from the UGMA/UTMA 529 Plan Account, including Non-Qualified Distributions, must be for the benefit of the minor/Beneficiary. The Beneficiary of a UGMA/UTMA 529 Plan Account may not be changed.

We will change the Participant of a UGMA/UTMA 529 Plan Account from the custodian to the Beneficiary only at the direction of the custodian. Custodians will need to complete a Letter of Instruction to document the termination of the custodianship. At that time, the account will be reregistered from the applicable UGMA/UTMA 529 Plan Account registration to a non-UGMA/UTMA registration with the former minor as Participant and Beneficiary of the Account. Thereafter, the account will no longer be a UGMA/UTMA 529 Plan Account and the custodian will no longer control the account.

Please contact a legal or tax advisor to determine whether an existing UGMA/UTMA custodianship may be used to fund a 529 Plan Account and what tax and legal implications of such a transfer may be for your specific situation.

Additional Information Concerning Pricing, Purchase and Redemption of Units

Each Portfolio is open for business and its Unit value is calculated each day the New York Stock Exchange (NYSE) is open for trading. The NYSE is closed on the following holidays: New Year's Day, Martin Luther King's Birthday, Presidents' Day, Good Friday, Memorial Day, Independence Day (observed), Labor Day, Thanksgiving Day, and Christmas Day (observed). Although Strategic Advisers expects the same holiday schedule to be observed in the future, the NYSE may modify its holiday schedule at any time. In addition, each Portfolio will be closed for wire purchases and redemptions on days when the Federal Reserve Wire System is closed.

Fidelity normally determines each Portfolio's Unit value as of the close of the NYSE (normally 4:00 p.m. Eastern time). However, Unit values may be calculated earlier if trading on the NYSE is restricted. To the extent that securities held by a Fidelity fund are traded in other markets on those days when the fund is not open for business, a Portfolio's Unit value may be affected on days when investors do not have access to the Portfolio to purchase or redeem Units. In addition, trading in some of a Fidelity fund's portfolio securities may not occur on days when the Trust is open for business.

You purchase and redeem Units at the Unit value next computed following receipt of your contribution (or withdrawal request) by Fidelity Advisor 529 Plan, Fidelity Investments Institutional Operations Company, Inc., P.O. Box 770002, Cincinnati, OH 45277-0081.

More About the Trust

Declaration of Trust

Establishment of the Trust

The Trust, with the Treasurer of the State of New Hampshire as the sole trustee, is an instrumentality of the State established effective January 28, 1998 to carry out, promote and operate the New Hampshire College Savings Plan so that a person or persons may make investments in accounts established for the purpose of meeting the qualified higher education expenses of the designated beneficiaries of such accounts. Each Portfolio is a segregated asset account of the Trust. The Trust also contains additional investment portfolios similar to the Portfolios, that are offered to the public but are not part of the Plan. These other investment portfolios invest in Fidelity funds that are not available under the Plan.

Exemptions from Registration Under Federal and State Securities Laws

Units of the Portfolios are not registered as securities under the Securities Act of 1933, pursuant to an exemption from registration available for obligations issued by a public instrumentality of a state. Similarly, Units of the Portfolios have not been registered

with the securities commissions of any state, pursuant to applicable exemptions from registration available for obligations issued by an instrumentality of a state.

The Portfolios have not been registered as investment companies under the Investment Company Act of 1940 (the "1940 Act") pursuant to Section 2(b) thereof, which says that no provision of the 1940 Act applies to any instrumentality of a state.

Necessity of Qualification Under Internal Revenue Code

The Trust intends to qualify as a qualified tuition program under Section 529 of the Internal Revenue Code. If the Trust fails to attain or retain such qualification, the Trustee shall promptly either amend the Trust so that it does qualify, or shall terminate the Trust, and distribute all the assets of the Trust to the Participants, and the Trust shall be considered to be rescinded and of no force and effect, provided that the Trustee in his sole discretion may elect not to terminate the Trust if the Trustee determines that such termination is not in the best interests of the Participants of the Trust.

Participants and Beneficiaries have no say in the management or operation of the Trust, including the selection of investments.

Supervision of the Trustee

The Trustee is supervised by the Advisory Commission, which is responsible for ensuring the proper administration and management of the Plan. The Advisory Commission has thirteen members. The members of the Advisory Commission include members of the New Hampshire Legislature, officials of New Hampshire institutions of higher education and New Hampshire state educational agencies, the State Treasurer and persons appointed by the Governor of New Hampshire.

Auditor for the Trust and the Portfolios

Each year the Trust and the Portfolios will be audited by an independent public accountant selected by the State of New Hampshire. The auditor examines financial statements for the funds and provides other audit, tax, and related services. The next audit for the Portfolios will be conducted after the fiscal year ending on September 30, 2003.

Strategic Advisers and Its Affiliates

Fidelity Investments is one of the largest investment management organizations in the United States and has its principal business address at 82 Devonshire Street, Boston, Massachusetts 02109. It includes a number of different subsidiaries and divisions which provide a variety of financial services and products. Various Fidelity companies perform activities required for the operation of the Trust.

The Portfolios are managed by Strategic Advisers, Inc., which administers the asset allocation program for each Portfolio. Strategic Advisers has its principal address at 82 Devonshire Street, Boston, Massachusetts 02109.

Strategic Advisers, Inc., a registered investment advisor and a Fidelity Investments company, engages in three general areas of business. First, Strategic Advisers provides discretionary investment

advisory services to individuals, trusts, investment companies and charitable and other business organizations. Second, Strategic Advisers provides non-discretionary advisory products and services to individuals and financial intermediaries and develops and maintains asset allocation and portfolio modeling methodologies for use by affiliates. Last, Strategic Advisers offers educational products concerning investment and personal finance.

FMR is each underlying Fidelity fund's manager. As the manager, FMR is responsible for choosing investments for each underlying Fidelity fund and handling each underlying Fidelity fund's business affairs. FMR Co., Inc. (FMRC), an affiliate of FMR, serves as sub-adviser and is primarily responsible for choosing investments for Advisor Diversified International Fund, Advisor Overseas Fund, Advisor Dividend Growth Fund, Advisor Equity-Growth Fund, Advisor Equity-Income Fund, Advisor Growth & Income Fund, Advisor Large Cap Fund, Advisor Mid Cap Fund; Advisor Small Cap Fund, and Advisor Value Strategies. Fidelity Investment Money Management Inc. (FIMM), an affiliate of FMR serves as sub-adviser and is primarily responsible for choosing investments for Advisor Government Investment Fund, Advisor High Income Advantage Fund, Advisor High Income Fund, Advisor Inflation-Protected Bond Fund, Advisor Intermediate Bond Fund, Advisor Short Fixed-Income Fund, and Fidelity Cash Reserves fund. Affiliates assist FMR with foreign investments for each underlying Fidelity fund.

Ren Cheng is the current manager of all the Portfolios, which he has managed since inception. He has managed New Hampshire's UNIQUE College Investing PlanSM since its inception in 1998. He is also the primary manager of the Fidelity Freedom Funds[®], which he has also managed since inception. He is also manager of structured investments for Fidelity Management Trust Company, which he has managed since 1994. Mr. Cheng joined Fidelity as a manager in 1994. Previously, he was a senior portfolio manager for Putnam Investments from 1985 to 1994.

Fidelity Investments Institutional Services Company, Inc. ("FIIS") will be responsible for the marketing of the Plan. FIIS is a registered broker-dealer. FIIS will offer Participation Agreements and Accounts through financial intermediaries such as broker/dealers, banks and other financial institutions (the "Selling Institutions"). The Selling Institutions are generally not affiliates of Fidelity, but may have other contractual arrangements with Fidelity, including arrangements for the distribution of Fidelity's mutual funds and products sponsored by Fidelity that are not related to the Plan and are not offered under this Fact Kit.

Investment Principles and Risks

Each Age-Based and Static Allocation Portfolio seeks to achieve its investment objective by investing in a combination of Fidelity funds. Each Individual Fund Portfolio's investment objective is the same as the investment objective of the single underlying mutual fund in which it invests. A given Portfolio may invest in one, some or all of the following asset classes: domestic and international equity funds; investment grade and high income funds; and a

money market fund. The primary difference among the Portfolios is their asset allocations among these types of funds.

Each of the eight Age-Based Portfolios seeks capital appreciation with reasonable safety of principal, consistent with the ages of the Beneficiaries for whom it was designed. For these eight Portfolios, except for College Portfolio, Strategic Advisers allocates each Portfolio's assets among Fidelity funds according to an asset allocation strategy that becomes increasingly conservative over time. When one of these Portfolio's asset allocation target nearly matches College Portfolio's target, the Portfolio will be combined with College Portfolio. College Portfolio's asset allocation is expected to remain stable.

The target asset allocation strategy for each of the eight Age-Based Portfolios is designed to provide an approach to asset allocation that is neither overly aggressive nor overly conservative. In general, Strategic Advisers intends to manage each of these eight Portfolios according to its target asset allocation strategy, and does not intend to trade actively among Fidelity funds or attempt to capture short-term market opportunities. However, the Trustee reserves the right to modify the target asset allocation strategy for any Portfolio and to modify the selection of Fidelity funds for any Portfolio from time to time.

There are also two Static Allocation Portfolios that are not designed for Beneficiaries of any particular age. They are 100% Equity Portfolio and 70% Equity Portfolio. The asset allocation for both of the Static Allocation Portfolios is expected to remain stable.

Finally, there are 11 Individual Fund Portfolios that are not designed for Beneficiaries of any particular age. Each Individual Fund Portfolio is 100% invested in a single Fidelity fund and its investment objective is the same as the investment objective of the single underlying Fidelity fund in which it invests.

The ability of each Age-Based and Static Allocation Portfolio to meet its investment objective is directly related to its target asset allocation among Fidelity funds and the ability of those funds to meet their investment objectives. The ability of each Individual Fund Portfolio to meet its investment objective is directly related to the ability of the single underlying Fidelity fund in which it invests to meet its investment objective. Although the Fidelity funds are categorized generally as equity (domestic or international), fixed income (investment grade or high income) and money market funds, many of the Fidelity funds may invest in a mix of foreign and domestic stocks, investment grade and high yield bonds, and other securities.

The table that follows lists the Fidelity funds in which each Age-Based and Static Allocation Portfolio described above currently may invest and the approximate target asset allocation of each of the Age-Based and Static Allocation Portfolios to each Fidelity fund as of March 31, 2004. Strategic Advisers may change these percentages over time. For a brief description of each Fidelity fund, refer to *"Descriptions of Fidelity Funds,"* beginning on page 28.

Target Asset Allocation for Age-Based and Static Portfolios by Fidelity Fund as of 3-31-04*

Fund Groups	Portfolio 2022	Portfolio 2019	Portfolio 2016	Portfolio 2013	Portfolio 2010	Portfolio 2007	Portfolio 2004	College Portfolio	100% Equity	70% Equity
INTERNATIONAL EQUITY FUNDS										
Fidelity Advisor Diversified International Fund	5.0%	5.0%	5.0%	4.0%	4.0%	2.6%	0.6%	0.0%	7.5%	5.0%
Fidelity Advisor Overseas Fund	5.0%	5.0%	5.0%	4.0%	4.0%	2.6%	0.6%	0.0%	7.5%	5.0%
DOMESTIC EQUITY FUNDS										
Fidelity Advisor Dividend Growth Fund	16.4%	16.2%	16.1%	14.1%	11.9%	9.8%	5.6%	4.3%	18.3%	12.9%
Fidelity Advisor Equity Growth Fund	7.6%	7.5%	7.5%	6.5%	5.5%	4.5%	2.6%	2.0%	8.5%	6.0%
Fidelity Advisor Equity Income Fund	13.3%	13.2%	13.1%	11.4%	9.7%	7.9%	4.6%	3.5%	14.9%	10.5%
Fidelity Advisor Growth & Income Fund	13.3%	13.2%	13.1%	11.4%	9.7%	7.9%	4.6%	3.5%	14.9%	10.5%
Fidelity Advisor Large Cap Fund	16.4%	16.2%	16.1%	14.1%	11.9%	9.8%	5.6%	4.3%	18.3%	12.9%
Fidelity Advisor Mid Cap Fund	4.5%	4.5%	4.5%	3.9%	3.3%	2.7%	1.5%	1.5%	5.1%	3.6%
Fidelity Advisor Small Cap Fund	4.5%	4.5%	4.5%	3.9%	3.3%	2.7%	1.5%	1.5%	5.1%	3.6%
FIXED-INCOME FUNDS										
Fidelity Advisor Government Investment Fund	1.2%	1.8%	2.3%	9.5%	13.7%	19.6%	24.2%	20.0%	0.0%	10.0%
Fidelity Advisor High Income Advantage Fund	11.0%	10.5%	10.1%	7.2%	5.1%	0.3%	0.0%	0.0%	0.0%	10.0%
Fidelity Advisor Intermediate Bond Fund	1.2%	1.8%	2.3%	9.5%	13.7%	19.6%	24.2%	20.0%	0.0%	10.0%
Fidelity Advisor Short Fixed-Income Fund	0.0%	0.0%	0.0%	0.0%	1.4%	3.8%	9.6%	16.0%	0.0%	0.0%
MONEY MARKET FUND										
Fidelity Cash Reserves	0.0%	0.00%	0.0%	0.0%	2.2%	5.7%	14.4%	24.0%	0.0%	0.0%

Note: The allocation percentages may not add to 100% due to rounding.

* The table above illustrates the target mix that each Portfolio would like to achieve by March 31, 2004.

Other Investments

Each Portfolio may also invest in repurchase agreements in order to earn an investment return on any cash it may hold. In a repurchase agreement, a Portfolio buys a security at one price and simultaneously agrees to sell it back at a higher price. Delays or losses could result if the other party to the agreement defaults or becomes insolvent.

It is expected that the Portfolios will hold only a very small amount of cash at any time. A Portfolio might hold cash because investments by Participants reach it at times when it is not possible to invest in the Fidelity funds immediately, or because a Portfolio's transfer agent and a Fidelity fund's transfer agent have slightly different records of the number of shares that the Portfolio holds in the fund.

Conversely, a Portfolio may need to borrow a small amount of money from time to time in order to pay for shares of the Fidelity

funds or to pay other expenses. Each Portfolio may borrow from banks. If a Portfolio borrows money, its Unit value may be subject to greater fluctuation until the borrowing is paid off.

Securities and Investment Practices

The following pages contain more detailed information about each Fidelity fund in which a Portfolio may invest. Except for small investments in repurchase agreements, the Portfolios will not make any investments except in the Fidelity funds. Participants and Beneficiaries have no voting rights with respect to shares of the Fidelity funds held by the Portfolios. All voting decisions with respect to the Fidelity funds will be made by the Trustee.

Descriptions of Fidelity Funds

The following descriptions summarize the investment policies as of February 28, 2003 of the Fidelity funds in which a Portfolio may invest. For more information about any Fidelity fund, call Fidelity at 1-800-522-7297.

EQUITY FUNDS

International Equity Funds

Advisor Diversified International Fund seeks capital growth.

FMR normally invests of the fund's assets primarily in non-U.S. securities. FMR normally invests the fund's assets primarily in common stocks.

FMR normally diversifies the fund's investments across different countries and regions. In allocating the fund's investments across countries and regions, FMR will consider the size of the market in each country and region relative to the size of the international market as a whole.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Overseas Fund seeks long-term growth of capital.

FMR normally invests at least 80% of the fund's assets in non-U.S. securities. FMR normally invests the fund's assets primarily in common stocks.

FMR normally diversifies the fund's investments across different countries and regions. In allocating the fund's investments across countries and regions, FMR will consider the size of the market in each country and region relative to the size of the international market as a whole.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker/dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Domestic Equity Funds

Advisor Dividend Growth Fund seeks capital appreciation.

FMR normally invests at least 80% of the fund's assets in equity securities. FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests the fund's assets primarily in companies that pay dividends or that it believes have the potential to pay dividends in the future. FMR uses the potential to pay dividends as a way of evaluating companies as investment opportunities.

The fund's strategy is based on the premise that dividends are an indication of a company's financial health and companies that are commencing or increasing their dividends have an enhanced potential for capital growth. Although FMR uses income to evaluate the fund's investments, the fund does not invest for income.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR is not constrained by any particular investment style. At any given time, FMR may tend to buy "growth" stocks or "value" stocks, or a combination of both types. In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Equity Growth Fund seeks capital appreciation.

FMR normally invests at least 80% of the fund's assets in equity securities. FMR invests the fund's assets primarily in common stocks.

FMR invests the fund's assets in companies it believes have above-averaged growth potential. Growth may be measured by factors such as earnings or revenue.

Companies with high growth potential tend to be companies with higher than average price/earnings (P/E) or price/book (P/B) ratios. Companies with strong growth potential often have new products, technologies, distribution channels, or other opportunities, or have a strong industry or market position. The stocks of these companies are often called "growth" stocks.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic

and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Equity Income Fund seeks a yield from dividend and interest income which exceeds the composite dividend yield on securities comprising the Standard & Poor's 500SM Index (S&P 500[®]). In addition, consistent with the primary objective of obtaining dividend and interest income, the fund will consider the potential for achieving capital appreciation.

FMR normally invests at least 80% of the fund's assets in equity securities. FMR normally invests the fund's assets primarily in income-producing securities. FMR may also invest the fund's assets in other types of equity securities and debt securities, including lower-quality debt securities.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR's emphasis on above-average income-producing equity securities tends to lead to investments in large cap "value" stocks. However, FMR is not constrained by any particular investment style. In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Growth & Income Fund seeks high total return through a combination of current income and capital appreciation.

FMR normally invests a majority of the fund's assets in common stocks with a focus on those that pay current dividends and show potential for capital appreciation. FMR may also invest the fund's assets in bonds, including lower-quality debt securities, as well as stocks that are not currently paying dividends, but offer prospects for future income or capital appreciation.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR is not constrained by any particular investment style. At any given time, FMR may tend to buy "growth" stocks or "value" stocks,

or a combination of both types. In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Large Cap Fund seeks long-term growth of capital.

FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests at least 80% of the fund's assets in securities of companies with large market capitalizations. Although a universal definition of large market capitalization companies does not exist, for the purposes of this fund, FMR generally defines large market capitalization companies as those whose market capitalization is similar to the market capitalization of companies in the Russell 1000[®] Index or the S&P 500. A company's market capitalization is based on its current market capitalization or its market capitalization at the time of the fund's investment. Companies whose capitalization falls below this level after purchase continue to be considered to have a large market capitalization for purposes of the 80% policy. The size of companies in each index changes with market conditions and the composition of the index.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR is not constrained by any particular investment style. At any given time, FMR may tend to buy "growth" stocks or "value" stocks, or a combination of both types. In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Mid Cap Fund seeks long-term growth of capital.

FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests at least 80% of the fund's assets in securities of companies with medium market capitalizations. Although a universal definition of medium market capitalization companies does not exist, for purposes of this fund, FMR generally defines medium market capitalization companies as those whose market capitalization is similar to the market capitalization of companies in the Russell Midcap Index or the S&P[®] MidCap 400. A company's market capitalization is based on its current market capitalization or its market capitalization at the time of the fund's investment. Companies whose capitalization no longer meets this definition after purchase continue to be considered to have a medium market capitalization for purposes of the 80% policy. The size of the companies in each index changes with market conditions and the composition of the index. FMR may also invest the fund's assets in companies with smaller or larger market capitalizations.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR is not constrained by any particular investment style. At any given time, FMR may tend to buy "growth" stocks or "value" stocks, or a combination of both types. In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Small Cap Fund seeks long-term growth of capital.

FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests at least 80% of the fund's assets in securities of companies with small market capitalizations. Although a universal definition of small market capitalization companies does not exist, for purposes of this fund, FMR generally defines small market capitalization companies as those whose market capitalization is similar to the market capitalization of companies in the Russell 2000[®] Index or the S&P[®] SmallCap 600. A company's market capitalization is based on its current market capitalization or its market capitalization at the time of the fund's investment. Companies whose capitalization is above this level after purchase continue to be considered to have a small market capitalization for purposes of the 80% policy. The size of the companies in each index changes with market conditions and the composition of the index.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR is not constrained by any particular investment style. At any given time, FMR may tend to buy "growth" stocks or "value" stocks, or a combination of both types. In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Value Strategies Fund seeks capital appreciation.

FMR normally invests the fund's assets primarily in common stocks.

FMR focuses on securities of companies that it believes are undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, or growth potential. Companies with these characteristics tend to have lower than average price/book (P/B), price/sales (P/S), or price/earnings (P/E) ratios. The stocks of these companies are often called "value" stocks.

Although FMR focuses on investing the fund's assets in securities issued by medium-sized companies, FMR may also make substantial investments in securities issued by larger or smaller companies.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

FIXED-INCOME FUNDS

High Income Funds

Advisor High Income Advantage Fund seeks a combination of a high level of income and the potential for capital gains.

FMR normally invests the fund's assets in income-producing debt securities, preferred stocks, and convertible securities, with an emphasis on lower-quality debt securities. Many lower-quality debt

securities are subject to legal or contractual restrictions limiting FMR's ability to resell the securities to the general public. FMR may also invest the fund's assets in non-income producing securities, including defaulted securities and common stocks. FMR currently intends to limit common stocks to 20% of the fund's total assets. FMR may invest in companies whose financial condition is troubled or uncertain and that may be involved in bankruptcy proceedings, reorganizations, or financial restructurings.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include a security's structural features and current price compared to its long-term value, and the earnings potential, credit standing, and management of the security's issuer.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices, interest rates, or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor High Income Fund seeks a high level of current income. The fund may also seek capital appreciation.

FMR normally invests the fund's assets primarily in income producing debt securities, preferred stocks, and convertible securities, with an emphasis on lower-quality debt securities. Many lower-quality debt securities are subject to legal or contractual restrictions limiting FMR's ability to resell the securities to the general public. FMR may also invest the fund's assets in non-income producing securities, including defaulted securities and common stocks, but currently intends to limit common stocks to 10% of the fund's total assets. FMR may invest in companies whose financial condition is troubled or uncertain and that may be involved in bankruptcy proceedings, reorganizations, or financial restructurings.

FMR uses the credit quality distribution of an index representing the overall high yield bond market as a guide in structuring the fund's credit quality composition. FMR generally expects the fund to be less heavily invested in issuers with the lowest credit ratings than the index weighting of such issuers. As of October 31, 2002, FMR used the Merrill Lynch U.S. High Yield Master II Index to represent the overall high yield bond market.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include a security's structural features and current price compared to its long-term value, and the earnings potential, credit standing, and management of the security's issuer.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices, interest rates, or other factors that affect security values. FMR may invest the fund's assets in investment-grade debt securities by investing in other funds. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Investment Grade Fixed-Income Funds

Advisor Government Investment Fund seeks a high level of current income.

FMR normally invests the fund's assets in U.S. Government securities and instruments related to U.S. Government securities. FMR normally invests at least 80% of the fund's assets in U.S. Government securities and repurchase agreements for those securities. FMR does not currently intend to invest more than 40% of the fund's assets in mortgage securities.

FMR uses an index that represents the market for the types of securities in which the fund invests as a guide in structuring the fund and selecting its investments. FMR manages the fund to have similar overall interest rate risk to the index. As of October 31, 2002, FMR was using the Lehman Brothers Government Bond Index in managing the fund's investments. As of October 31, 2002, the fund's dollar-weighted average maturity was approximately 9.1 years and the index's dollar-weighted average maturity was approximately 7.9 years, respectively. In determining a security's maturity for purposes of calculating the fund's average maturity, an estimate of the average time for its principal to be paid may be used. This can be substantially shorter than its stated maturity.

FMR allocates assets among different market sectors (for example, U.S. Treasury or U.S. Government agency securities) and different maturities based on its view of the relative value of each sector or maturity.

In buying and selling securities for the fund, FMR analyzes a security's structural features and current price compared to its estimated long-term value, any short-term trading opportunities resulting from market inefficiencies, and the credit quality of its issuer.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices, interest rates, or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Inflation-Protected Bond Fund seeks a total return that exceeds the rate of inflation over the long term.

FMR normally invests at least 80% of the fund's assets in inflation-protected debt securities of all types. FMR normally invests the fund's assets primarily in U.S. dollar-denominated inflation-protected debt securities. FMR currently intends to focus on inflation-protected debt securities issued by the U.S. Treasury. FMR may invest the fund's assets in inflation-protected debt securities issued by U.S. Government agencies and instrumentalities other than the U.S. Treasury, and by other entities such as corporations and foreign

governments. FMR also may invest the fund's assets in other types of investment grade debt securities that are not inflation protected.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR uses an index that represents the market for the types of securities in which the fund invests as a guide in structuring the fund and selecting its investments. FMR manages the fund to have similar overall interest rate risk to the index. As of the fund's commencement, FMR was using the Lehman Brothers U.S. TIPS Index in managing the fund's investments. As of April 30, 2002, the index's dollar-weighted average maturity was approximately 13.3 years.

FMR allocates the fund's assets among different market sectors (for example, corporate or government securities) and different maturities based on its view of the relative value of each sector or maturity. Because the fund is considered non-diversified, FMR may invest a significant percentage of the fund's assets in a single issuer.

In buying and selling securities for the fund, FMR analyzes a security's structural features and current price compared to its estimated long-term value, any short-term trading opportunities resulting from market inefficiencies, and the credit quality of its issuer.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices, interest rates, or other factors that affect security values. FMR may invest the fund's assets in investment-grade debt securities by investing in other funds. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Intermediate Bond Fund seeks to provide a high rate of income. In addition, the fund may seek capital appreciation when consistent with this primary objective.

FMR normally invests at least 80% of the fund's assets in investment-grade debt securities of all types and repurchase agreements for those securities.

FMR uses an index that represents the market for the types of securities in which the fund invests as a guide in structuring the fund and selecting its investments. FMR manages the fund to have similar overall interest rate risk to the index. As of October 31, 2002, FMR was using the Lehman Brothers Intermediate Government/Credit Bond Index in managing the fund's investments. In addition, the fund normally maintains a dollar-weighted average maturity between three and 10 years. As of October 31, 2002, the dollar-weighted average maturity was approximately 4.7 years and the index's dollar-weighted average maturity was approximately 4.4 years. In determining a security's maturity for purposes of calculating the fund's average maturity, an estimate of the average time for its principal to be paid may be used. This can be substantially shorter than its stated maturity.

FMR allocates assets among different market sectors (for example, corporate or government securities) and different maturities based on its view of the relative value of each sector or maturity.

In buying and selling securities for the fund, FMR analyzes a security's structural features and current price compared to its estimated long-term value, any short-term trading opportunities resulting from market inefficiencies, and the credit quality of its issuer.

To earn additional income for the fund, FMR may use a trading strategy that involves selling mortgage securities and simultaneously agreeing to purchase similar securities on a later date at a set price. This trading strategy may increase interest rate exposure and result in an increased portfolio turnover rate which increases transaction costs and may increase taxable gains.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices, interest rates, or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

Advisor Short Fixed-Income Fund seeks to obtain a high level of current income, consistent with the preservation of capital. Where appropriate the fund will take advantage of opportunities to realize capital appreciation.

FMR normally invests at least 80% of the fund's assets in investment-grade debt securities of all types and repurchase agreements for those securities.

FMR uses an index that represents the market for the types of securities in which the fund invests as a guide in structuring the fund and selecting its investments. FMR manages the fund to have similar overall interest rate risk to the index. As of October 31, 2002, FMR was using the Lehman Brothers 1-3 Year Government/Credit Bond Index in managing the fund's investments. In addition, the fund normally maintains a dollar-weighted average maturity of three years or less. As of October 31, 2002, the dollar-weighted average maturity of the fund was approximately 2.4 and the index's dollar-weighted average maturity was approximately 1.9 years. In determining a security's maturity for purposes of calculating the fund's average maturity, an estimate of the average time for its principal to be paid may be used. This can be substantially shorter than its stated maturity.

FMR allocates the fund's assets among different market sectors (for example, corporate or government securities) and different maturities based on its view of the relative value of each sector or maturity.

In buying and selling securities for the fund, FMR analyzes a security's structural features and current price compared to its estimated long-term value, any short-term trading opportunities resulting from market inefficiencies, and the credit quality of its issuer.

FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices, interest rates, or other

factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

MONEY MARKET FUND

Fidelity Cash Reserves seeks as high a level of current income as is consistent with the preservation of capital and liquidity.

FMR invests the fund's assets in U.S. dollar-denominated money market securities of domestic and foreign issuers and repurchase agreements. FMR also may enter into reverse repurchase agreements for the fund.

FMR will invest more than 25% of the fund's total assets in the financial services industries.

In buying and selling securities for the fund, FMR complies with industry-standard requirements for money market funds regarding the quality, maturity, and diversification of the fund's investments. FMR stresses maintaining a stable \$1.00 share price, liquidity, and income.

Principal Investment Risks

Many factors affect a fund's performance. You may wish to consult your investment professional before investing in the Plan or determining what portion of your savings for the Beneficiary's higher education costs should be invested in the Plan. An equity or bond fund's share price and (when applicable) yield change daily based on changes in market conditions and interest rates and in response to other economic, political, or financial developments. An equity or bond fund's reaction to these developments will be affected by the types and (when applicable) maturities of the securities in which the fund invests, the financial condition, industry and economic sector, and geographic location of an issuer, and the fund's level of investment in the securities of that issuer.

A money market fund's yield will change daily based on changes in interest rates and other market conditions. Although Fidelity Cash Reserves is managed to maintain a stable \$1.00 share price, there is no guarantee that the fund will be able to do so. For example, a major increase in interest rates or a decrease in the credit quality of the issuer of one of the fund's investments could cause the fund's share price to decrease. While the fund will be charged premiums by a mutual insurance company for coverage of specified types of losses related to default or bankruptcy on certain securities, the fund may incur losses regardless of the insurance.

Because FMR concentrates Fidelity Cash Reserves' investments in a particular group of industries, the fund's performance could depend heavily on the performance of that group of industries and could be more volatile than the performance of less concentrated funds. In addition, because FMR may invest a significant percentage of the fund's assets in a single issuer, the fund's performance could be closely tied to the market value of that one issuer and could be more volatile than the performance of more diversified funds. It is important to note that neither the fund's share price nor its yield is guaranteed by the U.S. Government.

The following factors can significantly affect a fund's performance:

Stock Market Volatility

The value of equity securities fluctuates in response to issuer, political, market, and economic developments. In the short term, equity prices can fluctuate dramatically in response to these developments. Different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole.

Interest Rate Changes

Debt and money market securities have varying levels of sensitivity to changes in interest rates. In general, the price of a debt security can fall when interest rates rise and can rise when interest rates fall. Securities with longer maturities and mortgage securities can be more sensitive to interest rate changes. In other words, the longer the maturity of a security, the greater the impact a change in interest rates could have on the security's price. In addition, short-term and long-term interest rates do not necessarily move in the same amount or the same direction. Short-term securities tend to react to changes in short-term interest rates, and long-term securities tend to react to changes in long-term interest rates.

Foreign Exposure

Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

Investing in emerging markets can involve risks in addition to and greater than those generally associated with investing in more developed foreign markets. The extent of economic development; political stability; market depth, infrastructure, and capitalization; and regulatory oversight can be less than in more developed markets. Emerging market economies can be subject to greater social, economic, regulatory, and political uncertainties. All of these factors can make emerging market securities more volatile and potentially less liquid than securities issued in more developed markets.

Issuers located in foreign countries and entities providing credit support or maturity-shortening structure that are located in foreign countries can involve increased risks. Extensive public information about the issuer or provider may not be available and unfavorable political, economic, or governmental developments could affect the value of a society.

Financial Services Exposure

Financial services companies are highly dependent on the supply of short-term financing. The value of securities of issuers in the financial services sector can be sensitive to changes in government regulation and interest rates and to economic downturns in the United States and abroad.

Prepayment

Many types of debt securities, including mortgage securities, are subject to prepayment risk. Prepayment occurs when the issuer of a security can repay principal prior to the security's maturity. Securities subject to prepayment can offer less potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. In addition, the potential impact of prepayment features on the price of a debt security can be difficult to predict and result in greater volatility.

Issuer-Specific Changes

Changes in the financial condition of an issuer, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can affect the credit quality or value of an issuer's securities. Entities providing credit support or a maturity-shortening structure also can be affected by these changes. If the structure of a security fails to function as intended, the security could decline in value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Lower-quality debt securities (those of less than investment-grade quality) and certain types of other securities tend to be particularly sensitive to these changes.

Lower-quality debt securities and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities often fluctuates in response to company, political, or economic developments and can decline significantly over short periods of time or during periods of general or regional economic difficulty. Lower-quality debt securities can be thinly traded or have restrictions on resale, making them difficult to sell at an acceptable price. The default rate for lower-quality debt securities is likely to be higher during economic recessions or periods of high interest rates.

"Small Cap" Investing

The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers and can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. Smaller issuers can have more limited product lines, markets and financial resources.

"Growth" Investing

"Growth" stocks can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. "Growth" stocks tend to be more expensive relative to their earnings or assets compared to other types of stocks. As a

result, "growth" stocks tend to be sensitive to changes in their earnings and more volatile than other types of stocks.

In response to market, economic, political, or other conditions, FMR may temporarily use a different investment strategy for defensive purposes. If FMR does so, different factors could affect a fund's performance and the fund may not achieve its investment objective.

"Value" Investing

"Value" stocks can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. "Value" stocks tend to be inexpensive relative to their earnings or assets compared to other types of stocks. However, "value" stocks can continue to be inexpensive for long periods of time and may not ever realize their full value.

In response to market, economic, political or other conditions, FMR may temporarily use a different investment strategy for defensive purposes. If FMR does so, different factors could affect a fund's performance and the fund may not achieve its investment objective.

Country or Geographic Region

FMR considers non-U.S. securities to include investments that are tied to a particular country or region outside the U.S. FMR considers a number of factors to determine whether an investment is tied to a particular country or region including: the source of government guarantees (if any); the primary trading market; the issuer's domicile, sources of revenue, and location of assets; whether the investment is included in an index representative of a particular country or region; and whether the investment is exposed to the economic fortunes and risks of a particular country or region.

Right to Change Investment Guidelines

The Investment Management Agreement between the Trust and Strategic Advisers includes investment guidelines, which are reflected in this document. Changes in guidelines including the addition or closing of a Portfolio, may be made from time to time and shall be made only with the express written consent of the Trustee, who shall make due allowance for the time which Strategic Advisers shall have to come into compliance with such changed guidelines. The Trustee's decision will be made with the advice and consent of the Advisory Commission.

The investments in the Fidelity funds presume a relationship between the Plan and Fidelity and are subject to change by the Trustee in the event that the relationship is terminated.

Change of Investment Manager and Trust Investments

The Trustee has entered into an Investment Management Agreement with Strategic Advisers and a Management and Administrative Services Agreement with Strategic Advisers and two other Fidelity Investments companies. The initial term of the Management and Administrative Services Agreement ends on December 31, 2013. The agreement may be extended for additional periods of five years each

by mutual agreement of the parties, subject to approval of the Governor and the Executive Council of New Hampshire.

The Trustee has the right to terminate the employment of Strategic Advisers and its affiliates earlier under certain specified circumstances, such as breach of the contract, or if Strategic Advisers has produced investment performance with respect to the assets of the Trust that is substantially below levels of investment performance with respect to assets of similar type and amount that are invested in investments similar to those authorized under the investment management guidelines established pursuant to the Investment Management Agreement.

Upon the expiration or early termination of the arrangements with Fidelity Investments, the Trustee shall determine how the assets of the Trust and of each Portfolio shall be invested thereafter, and may in the Trustee's discretion retain another investment manager for such purpose.

Fidelity's Right to Withdraw from the Plan

The Fidelity Investments companies may terminate their involvement with the Plan if the State of New Hampshire, the Trustee, the Trust, or any other instrumentality of the State that is involved in the management, direction, or control of the business of the Plan, has engaged in any activities which make Fidelity's continued involvement in the Plan economically unsound, or if legislation, whether state, federal, or otherwise, makes the continued operation of the Plan uneconomic or not in the best interests of Participants and/or Beneficiaries.

Sale of Units

Pursuant to the Restated Management and Administrative Services Agreement, Fidelity markets interests in the Plan so that Selling Institutions will sell interests in the Plan. Fidelity will receive compensation from Strategic Advisers. Selling Institutions who sell interests in the Plan will receive compensation from Fidelity. Compensation varies by each Class of Units and Portfolio.

Old Class A

For Old Class A Units in Age-Based and Static Allocation Portfolios, a Selling Institution will receive a maximum fee equal to 3.00% of the amount invested in Units and ongoing fees at an annualized rate of not more than 0.25% of the value of each Account.

Class A

For Class A Units in Age-Based Portfolios, Static Allocation Portfolios and Individual Fund Portfolios that invest in a single underlying equity mutual fund, a Selling Institution will receive a maximum fee equal to 5.00% of the amount invested in Units and ongoing fees at an annualized rate of 0.25% of the value of each account. For Class A Units in Individual Fund Portfolios that invest in Fidelity Advisor High Income Fund and Fidelity Advisor Inflation-Protected Bond Fund, a Selling Institution will receive a maximum fee equal to 4.25% of the amount invested in Units and ongoing fees at an annualized rate of not more than 0.15% of the value of each account. For Class A Units in Individual Fund Portfolios that invest in Fidelity Advisor Intermediate Bond Fund, a Selling Institution

will receive a maximum fee equal to 3.00% of the amount invested in Units and ongoing fees at an annualized rate of not more than 0.15% of the value of each account. For Class A Units in Individual Fund Portfolios that invest in the Fidelity Cash Reserves fund, the Selling Institution will receive ongoing fees at an annualized rate of not more than 0.25% of the value of each Account. Fidelity may reallocate additional amounts to the Selling Institution equal to the full amount of the Class A sales load. See *"Expenses"* on page 16 for a description of the Class A sales load.

Finder's Fees: A finder's fee equal to 1.00% on Old Class A and Class A Units is paid to investment professionals only in connection with purchases of \$1 million or more that qualify for a load waiver. Units sold by investment professionals who receive a finder's fee will be subject to a contingent deferred sales charge of 1.00% of the lesser of the cost of the Units at the date of purchase or the value of the Units at the time of redemption.

To qualify for a finder's fee, an investment professional must notify Fidelity in advance of the eligible purchase.

Old Class B

For Old Class B Units in Age-Based and Static Allocation Portfolios, a Selling Institution will receive a fee equal to 2.50% of the amount invested in Units. In addition, the Selling Institution will receive ongoing fees at an annualized rate of not more than 0.25% of the value of each Account.

Class B

For Class B Units in Age-Based Portfolios, Static Allocation Portfolios and Individual Fund Portfolios that invest in a single underlying equity mutual fund, in Fidelity Advisor High Income Fund or in Fidelity Advisor Inflation-Protected Bond Fund, a Selling Institution will receive a fee equal to 4.00% of the amount invested in Units. For Class B Units in Individual Fund Portfolios that invest in Fidelity Advisor Intermediate Bond Fund, a Selling Institution will receive a fee equal to 2.00% of the amount invested in Units. For Class B Units in Individual Fund Portfolios that invest in Fidelity Cash Reserves fund, a Selling Institution will receive a fee equal to 4.00% of the amount invested in the Units. In addition, for all Class B Units, the Selling Institution will receive ongoing fees at an annualized rate of not more than 0.25% of the value of each Account.

Class C

For Class C Units, a Selling Institution will receive a fee equal to 1.00% of the amount invested in Units and ongoing fees starting at month thirteen at an annualized rate of not more than 1.00% of the value of each account.

Class D

For Class D Units, the Selling Institution will receive ongoing fees at an annualized rate of not more than 0.50% of the value of each account.

Class P

For Class P Units, a Selling Institution will receive ongoing fees at an annualized rate of not more than 0.50% of the value of each account.

Fidelity reserves the right to revise these fee arrangements at its discretion. Fidelity may, from time to time, offer additional sales incentives paid for by Fidelity Investments Institutional Services Co., Inc. In addition, the Selling Institution must satisfy certain requirements under its contract with Fidelity in order to receive any of these fees.

Holding of Units

Account records will be maintained by Fidelity on behalf of the Plan.

Fidelity Investments 529 College Rewards Card

Fidelity Investments and MBNA America Bank, N.A. have launched the Fidelity Investments 529 College Rewards MasterCard credit card (the "Card") issued and administered by MBNA America Bank, N.A. Cardholders can earn two percent (2%) on eligible net retail purchases when invested in a Fidelity Advisor 529 Plan account.

Cardholders residing in the U.S. are eligible to earn reward points ("Points"), which convert to Fidelity 529 Dollars when deposited in a Fidelity Advisor 529 Plan account, based upon use of the Fidelity Investments 529 College Rewards Platinum Plus or Preferred credit card issued by MBNA America Bank, N.A. ("MBNA"). Residents of Puerto Rico are eligible to use the credit card account for purchase and cash advance transactions but are not eligible to earn Points or convert points to money in any form whatsoever. Cardholders currently earn two (2) Points for every \$100 in eligible new net retail purchase transactions (purchases less credits, returns, and adjustments) charged to the Card. Purchase transactions are rounded to the nearest dollar. Cash advances (including balance transfers), purchases of cash equivalents, and unauthorized or fraudulent transactions do not earn Points. A Fidelity Advisor 529 Plan account must be open, funded, and designated with MBNA, in order for Points to be converted to Fidelity 529 Dollars. If there is a balance of at least 50 Points at the closing date of the last billing statement during a calendar quarter, then at the end of the quarter the Points will become Fidelity 529 Dollars. Each Point transferred becomes one Fidelity 529 Dollar. The first transfer of Points will occur prior to December 31, 2003. Any Points not converted to Fidelity 529 Dollars will be carried over into successive billing statements. Points are not transferable, except to a Fidelity Advisor 529 Plan account and have no cash value other than as described in the credit card Program Guidelines. Points may not be used to pay any credit card balance. Fidelity Investments and/or MBNA may change the terms of the reward program at any time, including the 2% earn rate.

Fidelity Advisor 529 Plan portfolio and account numbers are required to ensure your Fidelity 529 Dollars are deposited in your Fidelity Advisor 529 Plan account. Until Fidelity Advisor 529 Plan portfolio and account numbers are designated, you will not be eligible to receive Fidelity 529 Dollars. These Points may expire if Fidelity Advisor 529 Plan portfolio and account numbers are not designated after one year.

Recordkeeping and Compliance

Under the Management and Administrative Services Agreement, Fidelity is responsible for performing administration and record-keeping services necessary to carry out the purposes of the Plan, including, but not limited to, the following: (1) maintaining records showing account balances, contributions, investments, tax basis, etc.; (2) tax reporting services, including the furnishing of required information to Participants and Beneficiaries, the Internal Revenue Service, and state tax authorities; (3) collecting from each account all required fees, and all daily and annual charges, and disbursing a portion of such collected fees; and (4) maintaining compliance with all applicable state and federal laws and regulations, including but not limited to filing any applications, statements, or notices as the case may be with any federal or state governmental authority.

Right to Employ Other Fidelity Investments Companies

Any Fidelity company may use the services of other companies in the Fidelity Investments group of companies.

Copies of Contracts

Copies of the Investment Management Agreement and the Management and Administrative Services Agreement, and amendments thereto, are available by calling 1-800-522-7297.

Continuing Disclosure

To comply with Rule 15c2-12 (b) (5) under the Securities Exchange Act of 1934, as amended, the Trust has executed a Continuing Disclosure Agreement for the benefit of Participants. Under the Continuing Disclosure Agreement, the Trust, or to the extent permitted by law, Fidelity on the Trust's behalf, will provide certain financial information and operating data ("Annual Information") relating to the program and notices of the occurrence of certain enumerated events set forth in the Continuing Disclosure Agreement. This annual information will be filed by or on behalf of the Trust with each Nationally Recognized Municipal Securities Information Repository ("NRMSIR") and with a depository in New Hampshire, if one then exists. Notices of certain enumerated events will be filed by or on behalf of the Trust with the NRMSIRs or the Municipal Securities Rulemaking Board and with a depository in New Hampshire, if one then exists.

Tax-Exempt Participants

A State, local government, or an organization described in section 501 (c) (3) of the Internal Revenue Code (the "Code") and exempt from tax under section 501 (a) of the Code may establish an Account as part of a scholarship program operated by such government or organization. A Tax-Exempt Participant need not designate a Beneficiary until a scholarship distribution is made and may change the Designated Beneficiary of an Account to a person who is not a member of the family of the prior Designated Beneficiary.

An Account established by a Tax-Exempt Participant is not subject to the Plan's maximum investment limit, but the cumulative amount of distributions made from such an Account to any one Designated Beneficiary may not exceed the Plan's maximum investment limit for the year in which the latest distribution is made.

Federal Tax Treatment

The following discussion is a summary of certain aspects of federal income and gift taxation relating to an investment in the Portfolios. It is not exhaustive and is not intended as tax advice. The federal tax consequences associated with an investment in the Plan are complex, and the application of the pertinent tax rules to a particular person may vary according to facts specific to that person. A qualified tax advisor should always be consulted regarding the application of law to individual circumstances. In addition, Participants should be aware that the Internal Revenue Service has issued proposed regulations under section 529 of the Internal Revenue Code. When final regulations are issued, such regulations may have an impact on the tax consequences associated with investments in the Portfolios.

Also, in 2001 Congress and the President enacted the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), which expands the tax benefits offered by 529 Plans. Most of the changes made by EGTRRA became effective on January 1, 2002. Certain provisions enacted by EGTRRA will expire on December 31, 2010. Unless the law is extended by Congress and the President, federal tax treatment of 529 Plans will revert to its status prior to January 1, 2002. EGTRRA changes that are subject to this "sunset" provision are at times identified in this document by an asterisk*.

The following discussion is based on the Code, the proposed regulations and interpretations existing on the date of this document. It is possible that Congress, the Treasury Department, the IRS, or the courts may take actions that will affect the Code, the proposed regulations and/or the interpretations thereunder.

There may also be state and local tax consequences associated with investments in the Portfolios. Again, you should consult with a qualified tax advisor concerning these taxes.

Federal Income Taxation of Distributions

Distributions. Distributions consist of two parts: (1) an investment portion consisting of your contributions, which generally is not taxed, and (2) earnings, which may or may not be subject to federal and possibly state income taxation, depending on who receives the distribution and the purposes for which the distribution is used. For a given tax year, a pro rata portion of the total amount distributed from an Account will be considered a return of contributions, and the remainder will be considered a distribution of earnings (which may be subject to income tax). For this purpose, all qualified tuition programs of the same Beneficiary will be treated as one program.

Federal tax law requires that we report to the IRS certain information for the taxable year including the amount of all distributions, the portions of the distribution attributable to earnings and investment, to whom the distribution was made (for example, the Participant or the Beneficiary), and whether the transfer was a Trustee-to-Trustee rollover. Except for certain amounts used for qualified higher education expenses, the person receiving the distribution is the taxable party.

Qualified Distributions

Any investment gains in an Account will not generally be subject to federal income tax when distributed if the money is used for qualified higher education expenses ("Qualified Distributions").*

Qualified higher education expenses are defined in section 529 of the Code as tuition, fees, books, supplies, and equipment required for the enrollment or attendance of a designated beneficiary at an eligible educational institution. In addition, the term also includes an amount for room and board for students who attend school at least half-time as well as expenses for "special needs services" that are incurred by a special needs Beneficiary in connection with his or her enrollment or attendance at an eligible educational institution. The allowable room and board amount for a period is (a) the allowance for room and board included in the minimum "cost of attendance" at the eligible education institution, or (b) if greater, the actual invoice amount for housing owned or operated by the eligible education institution that is charged to the student by the institution for room and board for the period.

A distribution will be qualified only if the distribution can be matched to the payment of qualified higher education expenses during the same calendar year.

Non-Qualified Distributions

Money distributed and not used for qualified higher education expenses ("Non-Qualified Distributions") will be treated as income to the Distributee and taxed at the Distributee's tax rate. Again, pro-rata shares of amounts distributed are treated as non-taxable return of principal and taxable earnings. In addition, a federal penalty tax of 10% may apply to the investment gains portion of Non-Qualified Distributions. The only exceptions to the penalty on Non-Qualified Distributions are for (a) distributions made on account of the death or disability of the Beneficiary, (b) distributions made on account of a scholarship received by the Beneficiary, so long as the distributions do not exceed the amount of the scholarship, (c) rollover distributions, and (d) transfers of the Account to a new Beneficiary who is an eligible family member of the original Beneficiary. Distributions not subject to the penalty are still subject to federal income tax on the earnings distributed.

Unless the provisions of EGTRRA are extended, beginning January 1, 2011, the room and board amount cannot exceed the minimum amount applicable to the student included in the "cost of attendance" (as defined by federal law) at the eligible educational institution for such a period. Similarly, beginning

January 1, 2011, qualified distributions may be treated as income and taxed at the Beneficiary's tax rate.

Rollovers and Transfers

Rollovers. A Participant may roll over the value of a Coverdell Education Savings account, a qualified U.S. savings bond, or a 529 account into a qualified tuition program (a 529 plan) without subjecting the rollover amount to federal income tax when the following conditions are met. First, the amount distributed must be placed in the receiving qualified tuition program within 60 days of the distribution. Second, the money must be transferred to the credit of the designated Beneficiary. Under federal tax laws, only one 529 account for a beneficiary can be rolled over in any twelve month period without changing the beneficiary*. This is true even if the accounts are in different 529 Plans or have different Participants. However, there is no such timing restriction with respect to any rollover in which the beneficiary is changed to a member of the family of the original beneficiary.

There is no such restriction on rollovers to a different designated Beneficiary, however, the new designated Beneficiary under the receiving qualified tuition program to which the rollover is made must be a family member of the original designated Beneficiary from which the rollover is made. For this purpose, a family member is a person who has one of the following relationships with the Beneficiary: (1) son or daughter or a descendant of either; (2) stepson or stepdaughter; (3) brother, sister, stepbrother, or stepsister; (4) father or mother, or an ancestor of either; (5) stepfather or stepmother; (6) son or daughter of a brother or sister; (7) brother or sister of father or mother; (8) son- or daughter-in-law, father- or mother-in-law, brother- or sister-in-law; (9) spouses of the individuals listed in (1) – (8) and the spouse of the Beneficiary; and (10) any first cousin*. A legally adopted child is treated as the child of the adoptive parent as if by blood. The terms "brother" and "sister" include "half-brothers" and "half-sisters".

The Beneficiary of a UGMA/UTMA 529 Plan Account cannot be changed.

However, if the new Beneficiary is a member of a younger generation than the previous Beneficiary, a federal gift tax may apply. If the new Beneficiary is more than one generation below, then generation skipping tax may apply. The tax will apply in the year in which the money is distributed from an Account.

Appropriate Documentation. Unless you specifically provide the appropriate documents with respect to a rollover, the IRS requires that we treat the contribution as a rollover that consists entirely of earnings that may be taxable upon withdrawal. For this purpose, the IRS has stated that appropriate documentation means:

- in the case of a rollover contribution from another 529 Plan, a statement issued by the distributing 529 Plan that shows the earnings portion of the distribution;
- in the case of a rollover contribution from a Coverdell Education Savings Account, an account statement issued by the financial institution that acted as trustee or custodian of

the education savings account that shows basis and earnings in the account; and

- in the case of a rollover contribution from the redemption of qualified U.S. Savings Bonds, an account statement or Form 1099-INT issued by the financial institution that redeemed the bonds showing interest from the redemption of the bonds.

Transfers. In the case of any direct transfer (called a trustee-to-trustee rollover) between 529 plans, the distributing plan must provide to the receiving plan a statement that sets forth the earnings portion of the rollover distribution within the period required under the federal tax laws.

Federal Gift and Estate Taxes

The special rules applicable to qualified tuition programs override other gift and estate tax rules. Estate and gift tax rules may differ for 529 accounts where a trust is the Participant and for UGMA/UTMA 529 Plan accounts. Consult with a tax advisor.

Investments in an Account are considered completed gifts for federal estate, gift, and GST tax purposes. Except for one situation, described in the following paragraph, if the Participant on an Account were to die while there were still money in an Account, the value of the Account would not be included in the Participant's estate.

Investments in an Account are potentially subject to federal gift and GST tax. However, if an investment by a Participant in a single year is greater than \$11,000 in 2003, the Participant may elect to apply the \$11,000 annual exclusion equally over a five year period. Thus, a Participant who makes a \$55,000 investment in an Account in 2003, makes the election, and makes no other transfers to the Beneficiary during that year or the next four years would not incur a gift or GST tax as a result of the investment. However, if the Participant dies before the end of the five-year period, the portion of the transfer allocable to the years remaining in the five-year period would be includable in the Participant's estate for estate tax purposes.

The Section 529 accelerated gifting provisions do not apply to UGMA/UTMA 529 Plan Accounts. An individual may gift \$11,000 a year, without federal gift or estate tax impact. Federal gift and estate taxes may apply to gifts over \$11,000.

In future years, the amount of the annual gift tax exclusion may be increased by a cost of living adjustment.

Transfer tax limitations applicable to transfers to trust accounts and investments by trust accounts in 529 Plans may vary. State transfer tax rules applicable to all 529 Plan investments may also vary.

Hope Scholarship and Lifetime Learning Credits

Participants and Beneficiaries may also benefit from Hope Scholarship Credits and Lifetime Learning Credits.

The Hope Scholarship Credit is an amount equal to 100% of the first \$1,000 of qualified tuition and related expenses paid by a taxpayer during the taxable year for the qualified educational expenses of a student during any academic period beginning in such

taxable year, plus 50% of such expenses over \$1,000, but the maximum credit is limited to \$1,500 per year per student. Hope Scholarship Credits may be used only during two taxable years. They are not available for any taxable year if the student has completed two years of post-secondary education before the start of the taxable year. A student must be at least a half-time student for the Hope Scholarship Credit to be available with respect to a taxable year.

For purposes of the Hope Scholarship Credit the term “qualified tuition and related expenses” means tuition and fees required for the enrollment or attendance of (a) the taxpayer, (b) the taxpayer’s spouse, or (c) any dependent of the taxpayer with respect to whom the taxpayer is allowed a deduction under section 151 of the Internal Revenue Code, at an eligible educational institution for courses of instruction of such individual at such institution.

The Lifetime Learning Credit for any taxpayer for any taxable year is an amount equal to 20% of so much of the qualified tuition and related expenses paid by the taxpayer during the taxable year for education furnished to an individual during any academic period beginning in such taxable year as does not exceed \$10,000. The qualified tuition and related expenses with respect to an individual who is an eligible student for whom a Hope Scholarship Credit is allowed for the taxable year shall not be taken into account. Qualified tuition and related expenses under the Lifetime Learning Credit include expenses eligible under the Hope Scholarship Credit with respect to any course of instruction at an eligible educational institution to acquire or improve job skills of the individual.

The Hope Scholarship and Lifetime Learning Credits are non-refundable. In other words, if the amount of the credit is greater than the amount of income tax otherwise owed, use of the credits will not generate a cash refund to the taxpayer.

The Hope Scholarship and Lifetime Learning Credits are not available to taxpayers whose modified adjusted gross income exceeds specified levels. Single taxpayers whose income does not exceed \$41,000 can take full advantage of these credits. So can married taxpayers filing joint returns whose modified adjusted gross income does not exceed \$83,000. Single taxpayers with modified adjusted gross incomes over \$51,000 and married taxpayers with adjusted gross incomes over \$103,000 cannot use the credits at all. Single taxpayers with modified adjusted gross incomes between \$41,000 and \$51,000, and married taxpayers with modified adjusted gross incomes between \$83,000 and \$103,000, will be able to take only partial advantage of these credits. In future years, the amount of the annual gift tax exclusion may be increased by a cost of living adjustment.

If a parent claims a child as a dependent on their federal income tax return, only that parent may make use of the Hope Scholarship Credit or the Lifetime Learning Credit.

No Hope Scholarship or Lifetime Learning Credit can be taken with respect to any expenses for which another deduction is allowed. The same expenses cannot be used for both a Hope Scholarship Credit and a Lifetime Learning Credit.*

The Economic Growth and Tax Relief Reconciliation Act of 2001 changed the interaction of qualified tuition programs with the Hope Scholarship and Lifetime Learning credits. The same expenses cannot be used as support for a tax-free Qualified Distribution and also as the basis for either of these two credits. Also, the amount of qualified higher education expenses against which a distribution from the Plan can be used will be reduced by the amounts of certain qualified scholarships, educational assistance allowances and payments (other than gifts and inheritances) that are excludable from gross income.

Investments in Qualified Tuition Program and Coverdell Education Savings Account in the Same Year

Contributions to both the Plan and a Coverdell Education Savings Accounts for the same Beneficiary are permitted without penalty. However, if distributions on behalf of a Beneficiary from Coverdell ESAs and qualified tuition programs exceed the Beneficiary’s actual qualified higher education expenses for a year, the distributions must be allocated between the two types of programs.*

Federal Financial Aid Treatment of Plan Accounts

The following discussion is a summary of the financial aid treatment of Accounts under the federal financial aid methodology. This discussion is based on provisions of the Higher Education Act and interpretations existing on the date of this document. However, this discussion is not exhaustive or intended as financial aid advice, and it is possible that Congress, the U.S. Department of Education, or the courts may take actions that will affect the Higher Education Act and/or the interpretations thereunder. You might wish to consult with a financial aid advisor or with the financial aid office at a particular school.

In addition, Participants should be aware that, while the federal financial aid methodology is used to determine need or eligibility for federal financial aid (such as Federal Stafford Loans, Federal Perkins Loans, William D. Ford Federal Direct Loans, Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, and Federal Work Study), individual schools are not required to use the federal financial aid methodology in awarding their institutional financial aid. Thus, the financial aid treatment of an Account by an individual school may differ from the treatment of the Account under the federal financial aid methodology. Again, you might wish to consult with a financial aid advisor or with the financial aid department of a particular school.

Basic Description of Federal Financial Aid Methodology

A student’s need or eligibility for federal financial aid is determined by subtracting the “expected family contribution” (“EFC”) with respect to that student from the “cost of attendance” (which includes tuition, fees, books, and, in some cases, room and board). The EFC for each student is derived from the parent’s income and net assets (if the student is a dependent) and that student’s income and net assets and in some cases from the income and net assets of the student’s spouse (if any).

Assets are attributable to the student if (i) they are held in the student's name, or (ii) the student is the named beneficiary (such as custodial accounts). However, Plan Accounts are not generally assets of the Beneficiary, as discussed below.

No other person's income or assets are included in determining the EFC for a particular student.

In determining EFC for a particular student, parental income and income of that student are often the single largest factor, and assets a secondary factor. For parental assets, certain categories of assets, such as assets in retirement plans, are excluded from consideration. For parental assets that are included in the formula, the percentage factored ranges between 3% to 5.6%. Generally, for student assets (and spousal assets of the student, if applicable), the percentage factored is much greater at 35%.

Treatment of Plan Accounts under Federal Financial Aid Methodology

The U.S. Department of Education (DOE) has issued a number of letters regarding the treatment of 529 Accounts for purposes of the federal financial aid methodology. According to these letters, an Account will be considered an asset of the Participant and treated like other investment assets of the Participant (such as savings accounts, mutual funds, stocks, bonds, and other securities). The DOE based these letters on the fact that even though there is a named Beneficiary, the Participant maintains the ability to change the Beneficiary or withdraw the assets at any time. Thus, if the Participant is the parent of a dependent student, the value of the Account will be applied to the EFC formula (regardless of whether the student is the Beneficiary) at a lower rate than if it were considered the student's asset. If the Participant is a grandparent (or anyone else other than the student, the parent of a dependent student, or the spouse of a married student), the value of the Account will not be applied to the student's EFC at all.

UGMA/UTMA assets in a 529 Plan account are considered the Beneficiary's for federal aid purposes. Therefore, a higher percentage of the UGMA/UTMA 529 Plan Account will be deducted from the Beneficiary/minor's potential federal financial aid than if another person was the Participant of the account, such as in a non-custodial 529 Plan Account.

The DOE letters also indicated that, when the earnings portion of a distribution from an Account is included in the taxable income of the Beneficiary (for distributions used for the Beneficiary's qualified higher education expenses after December 31, 2010) or in the taxable income of the Participant (for all other distributions), the increase in taxable income could affect EFC in the subsequent year. Specifically, the earnings portion of the distribution could be applied to the EFC either as student income, parent income, or spouse income (as the case may be).

529 Plan assets can be used at accredited foreign schools that are eligible to participate in the Federal Family Education Loan ("FFEL") Program. At these schools, U.S. students are permitted (but not required) to apply for and receive Federal Stafford Loans (subsidized or unsubsidized) and PLUS Loans. For information about whether a specific foreign school is eligible for the FFEL Program or about financial aid generally, customers are encouraged to contact the schools directly, or the Department of

Education at 1-800-4-FED-AID or 319-337-5665 from overseas) or <http://www.ed.gov/studentaid/sfa.html>.

Comparison with Tuition Prepayment Plans

Under the federal financial aid methodology, a "tuition prepayment plan" is deemed to reduce the cost of attendance by the amount of the prepayment (or, in some cases, treated like a scholarship in the amount of the prepayment). In either case, a student's need or eligibility for federal financial aid will be reduced dollar-for-dollar by the amount of prepayment in a tuition prepayment plan. The DOE letters confirm that the Plan is NOT a tuition prepayment plan for purposes of the federal financial aid methodology.

The Fidelity Advisor 529 PlanSM

Sponsored by the State of New Hampshire
Managed by Fidelity Investments

PARTICIPANT HANDBOOK

Once you've opened an account this page and the next four pages outline how Fidelity Advisor 529 Plan investors conduct business with Fidelity Investments. It includes the following information:

- How to make contributions to your Account
- How to make distributions from your Account
- How to change the Beneficiary on your Account

If you have any questions about the handbook, or would like additional information, please ask your investment professional or visit www.AdvisorXpress.com or call 800-522-7297 to speak with a Fidelity Advisor 529 Plan representative.

Making an Investment to Your Account

Minimum Investments*

Initial Investments must be made by check or electronic funds transfer (Fidelity Advisor Money Line[®]).

Initial Investment	To Add to an Account
\$1,000	\$50
\$50 monthly with a systematic investment plan	\$50 monthly or \$150 quarterly

* If you are interested in transferring amounts from an existing Fidelity account, please call our Fidelity Advisor 529 Plan representative for information.

Maximum Investments

A single Beneficiary may receive contributions from more than one Participant. For instance, a father, a mother, and a grandparent could each establish separate accounts on behalf of the same Beneficiary. However, federal tax law limits the amount that can be invested on behalf of a Beneficiary. Total amounts invested on behalf of a Beneficiary may not exceed the anticipated costs of the Beneficiary's education. The maximum investment in the Trust is determined by factoring together the following key information (although other factors may apply):

- federal and state legislation requirements,
- the anticipated costs of education,
- the timing and amount of your investment(s), and
- the value of all accounts in the Trust designated for a particular Beneficiary as of December 31 each year.

If it is determined that an investment will exceed the maximum for your designated Beneficiary, the investments may not be accepted. Amounts exceeding the mandated maximums will be returned to you. You will be notified periodically of amounts available to be invested. The investment maximums will be changed annually in accordance with current college expenses.

How to Invest in Your Account

Read the Account Application Agreement, Participation Agreement and Fact Kit carefully. Federal tax law requires all investments to a 529 Plan Account be made "in cash". For this reason, you cannot put stocks, bonds, or property in your account. Checks are considered cash for this purpose and will be accepted. A UGMA/UTMA custodian can invest in a 529 Plan Account; however, the UGMA/UTMA account assets must be liquidated first and any taxes due on the liquidated assets must be paid by the Beneficiary or the Beneficiary's parent(s). As custodian, you can invest in a UGMA/UTMA 529 Plan Account. Consult with a tax advisor regarding your specific tax situation.

By a Systematic Investment Plan

- Use a Systematic Investment Plan to make regular monthly or quarterly investments to your Account. Sign up for this service by establishing Fidelity Advisor Money Line when opening an account (see the Application), ask your investment professional for a form, visit www.AdvisorXpress.com to download the form, or call 800-522-7297 to request a form. Please note that your Systematic Investment Plan may be suspended if investments on behalf of a Beneficiary exceed the maximum amount which may be invested to your account. You should allow approximately 30 days before your first transfer is initiated. One identical name must appear on both your bank account and Fidelity Advisor 529 Plan Account.

By Fidelity Advisor Money Line®

- Fidelity Advisor Money Line allows you or your investment professional to make occasional or systematic contributions to your Fidelity Advisor 529 Plan Account from a bank account. Sign up for Fidelity Advisor Money Line when opening an account (see the Application), by asking your investment professional for a form, visiting www.advisorxpress.com to download a form, or calling 800-522-7297 to request a form. Once your Account and Fidelity Advisor Money Line are established, you or your financial intermediary can just call a representative to transfer money from your bank account to Fidelity. Your electronic funds transfer request must generally be received and accepted by Fidelity before 4 p.m. Eastern Time for money to be credited the same day. One identical name must appear on both your bank account and Fidelity Advisor 529 Plan Account and transaction limits may apply. When establishing Fidelity Advisor Money Line, a ten day prenote period will also apply.

By Mail

- Complete and sign the Fidelity Advisor 529 Plan Account Application. Make your check payable to Fidelity Advisor 529 Plan. Mail the signed Account Application and check in the postage paid envelope enclosed with your application. If you want to make additional investments by check, mail your check to Fidelity Advisor 529 Plan, Fidelity Investments Institutional Operations Company, Inc., P.O. Box 770002, Cincinnati, OH 45277-0081 and indicate your Account number and Class Number in which you want your additional investments deposited on the check. If you do not provide your Account number and Class number, your investment may be delayed.

Note: Payment must be received in proper form by Fidelity as agent for the Fidelity Advisor 529 Plan by 4 p.m. Eastern Time in order to receive the Unit value for that day. If you are transferring proceeds from a mutual fund account, the purchase will occur the business day after the redemption of the mutual fund position.

Withdrawing from Your Account

You may use the Plan's Distribution Form to request a distribution. The form requires that you specify the Account Number and Class or Classes of Units with each Portfolio or Portfolio(s) from which the distribution will be taken, and the amount from each Portfolio and Class. If you do not specify the Account or Classes your request will need to be resubmitted before any distribution is made.

If you request distributions from one or more Portfolios or Classes in which you do not have sufficient value to make the distribution, we will redeem your entire interest in the Portfolio(s) or Class(es) but will not increase the amount distributed from any other Portfolio or Class. This will result in the amount of the distribution being less than the amount requested, and you will have to make a separate distribution request for the remainder.

When distributions are made for qualified higher education expenses, investment gains on the Plan are federal income tax free.* Unlike other programs that offer full benefits only if the Beneficiary attends a school that participates in the program, with the Fidelity Advisor 529 Plan there are no limits on the schools your Beneficiary can attend provided the school is accredited and qualified to participate in federal student aid programs. Under federal tax law, the pro rata amount of the distribution that is attributable to earnings which is not used for qualified higher education expenses will generally be subject to a federal income tax at the Distributee's tax rate and federal penalty tax of 10%.* Also, for any non-qualified distribution, a CDSC may be imposed on any Old Class B or Class B Units you redeem and on certain Old Class A, Class A and C Units. There are exceptions to federal penalty tax if:

- your Beneficiary receives a scholarship and your distribution is no more than the equivalent of the amount received from that scholarship, or

- your Beneficiary dies or becomes disabled as determined by a registered physician

If your Beneficiary chooses not to go to college, you can change the Beneficiary to be another eligible member of the Beneficiary's family, such as a brother or sister, without incurring any federal income tax consequences.¹ See *"How to Change Your Beneficiary to Another Family Member"* on page 45 for the definition of family member. The Beneficiary of a UGMA/UTMA 529 Plan Account cannot be changed. UGMA/UTMA 529 Plan assets must be used for the benefit of the minor/Beneficiary.

¹ However, changing the Beneficiary to someone in a younger generation in the family may result in federal gift tax.

How to Withdraw from Your Account

Qualified Distributions to Pay for Higher Education Expenses

- You may use the Plan's Distribution Form to request a distribution by sending it to: Fidelity Advisor 529 Plan, Fidelity Investments Institutional Operations Company, Inc. P.O. Box 770002, Cincinnati, OH 45277-0081. You must specify the Account number and Class or Classes within each Portfolio or Portfolio(s) from which the distribution will be taken, and the amount from each Class within each Portfolio. If you do not specify any Class(es) your request will need to be resubmitted before any distribution is made.
- If you request distributions from one or more Classes in one or more Portfolios in which you do not have sufficient value to make the distribution, we will redeem your entire interest in the Class(es), but will not increase the amount distributed from any other Class. This will result in the amount of the distribution being less than the amount requested, and you will have to make a separate distribution request for the remainder.
- Qualified higher education expenses include:
 - tuition, fees, books, supplies, and equipment required for enrollment.
 - room and board expenses if the student is attending the eligible educational institution at least half-time. (If the student resides off-campus, these expenses may not exceed amounts designated by federal regulations.)
 - "Special needs services" that are incurred by a special needs Beneficiary in connection with his or her enrollment or attendance at an eligible educational institution.*
- To be eligible to take a qualified distribution, your Beneficiary's educational institution must be accredited as defined in 20 U.S.C. Section 1088, as in effect as of August 5, 1997, and be eligible to participate in certain aid programs under the Higher Education Act of 1965, Title IV. This includes most four-year colleges and universities and some two-year institutions and proprietary and vocational schools.
- Your distribution will be made in the form of a check. When you make a distribution from your Account, you tell us whether to send the money to you, to your child's college, or to another person.
- If you make a full distribution and have not yet been charged your annual account fee, you may be subject to a prorated account fee.
- You or the Beneficiary, depending on who received the distribution, should retain records of payments for qualified higher education expenses in order to prepare your income tax returns.

Non-Qualified Distributions

(i.e., distributions not used to pay for qualified higher education expenses)

- You may request a distribution by completing a Distribution Form. The form will ask you to provide some of the following information:
 - your name
 - your Beneficiary's name
 - your Account number
 - the dollar amount you wish to withdraw
 - the name and address of the payee
- A federal penalty tax of 10% on earnings (not principal) will apply to any non-qualified distributions – unless the distribution is the result of:
 - a scholarship reimbursement
 - the death or disability of the Beneficiary
 - rollover to another qualified tuition program
- If you make a full distribution and have not yet been charged your annual account fee, you may be subject to a prorated account fee.

For any non-qualified distribution, a CDSC may be imposed on any Old Class B or Class B Unit and on certain Old Class A, Class A and C Units you redeem.

Rollovers to other Qualified Tuition Programs

You may request a rollover to another qualified tuition program by completing a Distribution Form. Your rollover will be federal income tax-free and penalty tax-free provided you completed the rollover within 60 days of the distribution. If a rollover is made to a qualified tuition program for the same Beneficiary, then only one such rollover is permitted within a 12 month period. There is no such timing limitation for rollovers involving a change of Beneficiary, however, the designated Beneficiary under the other qualified tuition program to which the rollover is made must be a family member of the designated Beneficiary from which the rollover is made. If you have invested in Old Class B or Class B Units or in certain Old Class A, Class A and C Units, a CDSC may be imposed. We will make your check payable to your new plan for your benefit, but we will mail the check to you at your current address of record. We will issue a statement that reflects the earnings portion of the distribution, but you will be required to provide such information to your new plan administrator. Failure to do so could result in the payment of higher taxes.

Changing the Beneficiary on Your Account

You can change your account so that it is for the benefit of another Beneficiary who is a family member of your original Beneficiary. If you do this, there is no Federal income tax or penalty tax. If you wish to change the Beneficiary to a non-family member, this would be treated as a non-qualified distribution and subject to taxes and a federal penalty tax of 10% of the earnings withdrawn.* If you invested in Old Class B or Class B Units and in certain Old Class A, Class A and C Units, a CDSC may be imposed.

If you make a full transfer to an account for another Beneficiary, you may be subject to a prorated account fee.

How to Change Your Beneficiary to another Family Member

- You may request a change of Beneficiary by completing an Fidelity Advisor 529 Plan Beneficiary Change Form and sending it to the address on the form.
- On your Fidelity Advisor 529 Plan Beneficiary Change Form, you will be asked to certify the relationship between the new Beneficiary and your original Beneficiary. The new Beneficiary must be a family member of your original Beneficiary. If the new Beneficiary is a member of a younger generation than the previous Beneficiary, a federal gift tax may apply. The Beneficiary of a UGMA/UTMA 529 Plan Account cannot be changed. Consult a tax advisor for your particular situation. A family member is defined in section 152 (a) (1) - (8) of the Internal Revenue Code and generally means a:
 - son or daughter; or a descendant of either
 - stepson or stepdaughter
 - brother or sister, stepbrother, or stepsister
 - father or mother, or an ancestor of either
 - stepfather or stepmother
 - son or daughter of a brother or sister
 - brother or sister of father or mother
 - son- or daughter-in-law, father- or mother-in-law, brother- or sister-in-law
 - spouses of the above and the spouse of the Beneficiary; and
 - any first cousin
 - A legally adopted child is treated as the child of the adoptive parent as if by blood. The terms "brother" and "sister" include half-brothers and half-sisters.

How to Name a Successor Participant

A Participant can name a successor Participant to assume control of the Account in the event of death. This can be done through your will or by completing a Successor Participant Form. The form can be requested by calling a Fidelity Advisor 529 Plan representative at 1-800-522-7297 or by visiting www.AdvisorXpress.com. UGMA/UTMA 529 Plan Accounts and 529 Plan Accounts held in Trust may not have a Successor Participant.

How to Change a Participant on an Account if the Participant Dies

Individual Participants have control over the disposal of assets in Plan Accounts. Even though contributions to the Plan are completed gifts, the Participant retains the property rights. Fidelity will change the name of the Participant on an Account upon receipt of the following documents from the deceased Participant's executor/executrix or successor.

If a Successor Participant Form Has Been Completed

If a successor has been designated under the Fidelity Successor Designation Agreement, the successor should submit the following paperwork:

- Letter of Instruction
- Certified copy of the Participant's death certificate
- New Account Application (if the successor does not already have an account for the same Beneficiary)

Note: Fidelity may require additional documentation to complete the instruction.

If a Successor Participant Form Was Not Used

If no successor is designated under the Fidelity Successor Designation Agreement, the executor/executrix of the Participant's estate should submit the following paperwork:

- Letter of Instruction
- Certified copy of the Participant's death certificate
- Certified copy of Letters Testamentary/Letters of Administration
- New Account Application (if a new Participant is named)

Successor Custodian for UGMA/UTMA 529 Plan

A custodian may at any time designate a successor custodian by naming a successor in his or her will and designating a letter before a notary. If a custodian should die or become incapacitated without effectively naming a successor custodian the following may occur:

- If the minor has reached the age of fourteen, the minor may designate a successor custodian by executing and dating a letter designating a successor custodian before a notary; or
- If the minor has not attained the age of fourteen, the guardian of the minor becomes the successor custodian. For this purpose, guardian is defined as person appointed by a court to act as guardian of the minor's property or a person legally authorized to perform substantially the same functions. Evidence of the guardian's status will be required. If the minor has no guardian or the guardian declines to act, the legal representative of the custodian, an adult member of the minor's family or any other interested person may petition the court to designate a successor custodian. If this were to happen, we will require a certified copy of the appointment of the successor custodian by the court.

Note: Fidelity may require additional documentation to complete the instruction.

Contacting Us

If you want to call us, please call 800-522-7297. If you want to contact us in writing, send your letters and account information to:

Fidelity Advisor 529 Plan
Fidelity Investments Institutional Operations Company, Inc.
P.O. Box 770002
Cincinnati, OH 45277-0081

* The provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 will expire on December 31, 2010. Unless the law is extended by Congress and the President, the federal tax treatment of 529 plans will revert to its status prior to January 1, 2002.

PARTICIPATION AGREEMENT

The Fidelity Advisor
529 Plan
 Sponsored by the State of New Hampshire
 Managed by Fidelity Investments



Fidelity Advisor 529 Plan
Sponsored by the State of New Hampshire
and Managed by Fidelity Investments

General Information

Complete this agreement, sign it, and mail it to:

Fidelity Advisor 529 Plan, Fidelity Investments Institutional Operations Company, Inc., PO Box 770002, Cincinnati, OH 45277-0081.

By your signature you agree to the terms of this Participation Agreement with regard to your Accounts in the Fidelity Advisor 529 Plan ("Plan") and represent that you have completed, and agree to the terms of the Fidelity Advisor 529 Plan New Account Application (the "Account Application").

The Participant ("you"), the New Hampshire Higher Education Savings Plan Trust (the "Trust"), and Fidelity Brokerage Services LLC, Fidelity Distributors Corporation, Fidelity Investments Institutional Services Company, Inc., National Financial Services LLC, Strategic Advisers, Inc. and their affiliates (collectively "Fidelity") agree as follows.

1. Accounts and Beneficiaries.

(a) Opening Accounts. You may open one or more Accounts. The purpose of each Account is to provide for the qualified higher education expenses (as defined in section 529 of the Internal Revenue Code of 1986, as amended (the "Code")) of one Beneficiary.

(b) Separate Accounts. Except for Accounts established by a State or local government or an organization described in section 501(c)(3) of the Code and exempt from tax under section 501(a) of the Code as part of a scholarship program operated by such government or organization (a "Tax-Exempt Participant"), the Trust will maintain a separate Account for each Beneficiary. Each Account will be governed by this Agreement and the Trust's Declaration of Trust. All assets held in your Accounts will be held for the exclusive benefit of you and your Beneficiaries. Tax-Exempt Participants may appoint Designated Beneficiaries after the establishment of the Account pursuant to a scholarship program operated by such Tax-Exempt Participants.

(c) Naming and Changing Beneficiaries. You will name the Beneficiary for an Account in the Account application. You can change the Beneficiary at any time, but no one else can change the Beneficiary. The new Beneficiary must be a "member of the family" of the original Beneficiary, as that term is defined under section 529(e)(2) of the Code. The designation of the new Beneficiary will be effective on the first day following receipt of the appropriate

form(s), properly completed. You may not change the Beneficiary of a UGMA or UTMA Account. Tax-Exempt Participants that have established an Account pursuant to a scholarship program may appoint Beneficiaries after the establishment of the Account, and the restrictions stated in the previous sentences of this paragraph shall not apply to an appointment or a change of a Beneficiary by such a Tax-Exempt Participant.

2. Investments.

(a) Investments Must Be In Cash. All investments will be in cash in order to comply with the requirements of the Code. Cash means only (i) checks, (ii) electronic funds transfers from your bank, (iii) payroll deductions made by your employer, (iv) funds wired through the Federal Reserve systems and (v) proceeds transferred from your Fidelity Investments mutual fund or brokerage account.

(b) Minimum Initial Investment. The initial investment in each Account will be at least \$50 if you agree to invest at least \$50 each month thereafter, or \$150 each quarter thereafter. Otherwise the minimum initial investment is \$1,000, and you do not need to make any additional investment.

(c) Additional Investments. You may make additional investments of at least \$50 at any time, subject to the overall limit described in the next paragraph.

(d) Maximum Investment Limit. The Trust will set a maximum investment limit for each Beneficiary for each calendar year. The limit applies to the aggregate amount in all Accounts maintained in the Trust for a particular Beneficiary. If there are no Accounts open for a Beneficiary at the end of a calendar year the most that can be invested for the Beneficiary in the next calendar year is the maximum investment limit. If any Accounts are open for a Beneficiary on December 31, the limit for the next year will be the maximum investment limit for the next year less the value of all Accounts for the Beneficiary as of December 31. The Trust will inform you of the maximum investment limit for each year. The Trust will return the portion of any investment that exceeds the maximum investment limit. The limit will be designed to comply with the excess contribution limit required by section 529(b)(7) of the Code.

The maximum investment limit does not apply to Accounts established by Tax-Exempt Participants pursuant to a scholarship program, but in no event shall the cumulative amount of

distributions made from such an Account to a Beneficiary appointed by the Tax-Exempt Participant pursuant to its scholarship program exceed the maximum investment limit for the year in which the latest such distribution is made.

You may not purchase more than \$250,000 of Class B Units with a single investment.

3. Distributions from Accounts.

You may direct the Trustee to distribute part or all of the money in an Account at any time.

(a) You may complete a Distribution Form containing information required by the Trustee. The Trustee may change the form from time to time. You may also request distributions by telephone or, when available, through the Internet. The Trustee may limit telephone or Internet distributions, or impose special conditions on such distributions. Your distribution may be subject to a contingent deferred sales charge. See Section 5 and the Fidelity Advisor 529 Plan Fact Kit for further information.

(b) Notwithstanding any other provision of this Agreement, the Trustee may terminate an Account upon a determination that you or the Account's Beneficiary has provided false or misleading information to the Trust, Fidelity or an eligible educational institution. Upon such a finding and a termination, the Trustee will assess a penalty equal to 10 percent of that portion of the value of the account that is attributable to income earned on principal investments in the account. Any penalty assessed on an Account pursuant to this paragraph will be charged against the Account and paid to the Trustee. The Trustee will pay you the balance remaining in the Account after such penalty assessment, less any state or federal taxes to be withheld, and less any applicable contingent deferred sales charge.

4. Your Representations and Acknowledgments. You hereby represent and warrant to, and agree with the Trust and Fidelity as follows:

(a) You have received and read the document entitled the FIDELITY ADVISOR 529 PLAN FACT KIT and have carefully reviewed all the information contained therein, including information provided by or with respect to the Trust and Fidelity. You have been given an opportunity within a reasonable time prior to the date of this Agreement to ask questions of and receive answers from your investment professional concerning (i) an investment in the Plan, (ii) the terms and conditions of the Trust, and (iii) this Agreement and the Account Application, and to obtain such additional information necessary to verify the accuracy of any information furnished. You have had the opportunity to ask questions of a representative of the Trust and have received satisfactory answers to any questions asked.

(b) You may allocate each of your investments in an Account to one or more investment portfolios (each a "Portfolio") of the Trust. For each contribution, you may also choose to purchase Class A Units, Class B Units, Class C Units, Class D Units, or Class P Units, except that you may not purchase Class B Units for an account if

the Beneficiary of that Account is 14 years or older, and Class P Units are available only through employer sponsored workplace arrangements. Old Class A, Old Class B, and Class D Units are available only for Accounts established before June 25, 2003. Each Class of Units is subject to differing fees, as described in Section 5 below.

YOU UNDERSTAND AND AGREE THAT WITH TWO EXCEPTIONS YOU CANNOT GIVE US INSTRUCTIONS TO MOVE MONEY IN ANY ACCOUNT FROM ONE PORTFOLIO TO ANOTHER PORTFOLIO, IN ORDER TO COMPLY WITH RESTRICTIONS IMPOSED UNDER THE CODE. EXCEPTION (1): ONCE EACH CALENDAR YEAR YOU CAN GIVE US INSTRUCTIONS TO TRANSFER AMONG PORTFOLIOS, INCLUDING DOLLAR COST AVERAGING INSTRUCTIONS. EXCEPTION (2): YOU CAN TRANSFER MONEY AMONG PORTFOLIOS UPON A CHANGE OF BENEFICIARY.

You acknowledge and agree that the value of any Account will increase or decrease each day that the New York Stock Exchange is open for trading, based on the investment performance of the Portfolios in which the Account is then invested. **YOU UNDERSTAND THAT THE VALUE OF ANY ACCOUNT MAY BE MORE OR LESS THAN THE AMOUNT INVESTED IN THE ACCOUNT.**

You acknowledge and agree that each Portfolio will invest in mutual funds selected by Strategic Advisers, Inc., or one or more other investment advisor that may be hired by the Trust. You agree that all investment decisions for the Portfolios will be made by Strategic Advisers, Inc., or any other advisor hired by the Trust, and that neither you nor your investment professional will direct the investment of any money once it is invested in the Trust, either directly or indirectly. You also acknowledge and agree that none of the State of New Hampshire, the Trust, the Trustee, Fidelity or any other advisor or consultant retained by or on behalf of the Trust makes any guarantee that you will not suffer a loss of the money you invest in any Account.

(c) You understand that so long as Strategic Advisers, Inc. serves as investment manager to the Trust, it will invest the assets of the Portfolios primarily or exclusively in Fidelity Advisor Fund Class I and Fidelity Cash Reserves fund mutual fund shares, and that any successor investment manager may invest in any mutual funds registered with the United States Securities and Exchange Commission or other investments approved by the Trustee. You also understand that the assets in a Portfolio may be invested solely in stock mutual funds, or among a combination of stock mutual funds and other mutual funds (bond and money market mutual funds) while Strategic Advisers, Inc. serves as investment manager of the Trust.

You understand that there are three types of Portfolios. One type of Portfolio maintains a fixed allocation among equity, bond and/or money market funds. A second type of Portfolio invests in a mix of mutual funds and becomes more conservative over time. A third type of Portfolio invests in a single mutual fund.

For the most current Portfolio allocations and benchmarks, you should call your investment professional.

(d) You acknowledge and agree that participation in the Plan does not guarantee that any Beneficiary: (i) will be accepted as a student by any institution of higher education; (ii) if accepted, will

be permitted to continue as a student; (iii) will be treated as a state resident of any state for tuition purposes; (iv) will graduate from any institution of higher education; or (v) will achieve any particular treatment under applicable state or federal financial aid programs. You also acknowledge and agree that none of the State of New Hampshire, the Trust, the Trustee, Fidelity or any other advisor or consultant retained by or on behalf of you or the Trust makes any such representation or guarantee.

(e) You acknowledge and agree that no Account will be used as collateral for any loan. Any attempted use of an Account as collateral for a loan will be void.

(f) You acknowledge and agree that you may not assign or transfer any interest in any Account during your lifetime. Any attempted assignment or transfer during your lifetime will be void.

(g) You acknowledge and agree that the Trust will not loan any assets to you or any Participant or Beneficiary.

(h) You agree and acknowledge that the Plan is established and maintained pursuant to state law and is intended to qualify for certain federal income tax consequences under section 529 of the Code. You further acknowledge that such federal and state laws are subject to change, sometimes with retroactive effect, and that none of the State of New Hampshire, the Trust, the Trustee, Fidelity or any advisor or consultant retained by the Trust makes any representation that such state or federal laws will not be changed or repealed.

(i) You agree to the terms of the Trust.

5. Fees and Expenses. The Trust will make certain charges against each Account in order to provide for the costs of administration of the Accounts and such other purposes as the Trustee shall determine appropriate.

(a) Annual Fee. Each Account will be subject to an annual charge of \$30. The first charge will be made one year after the Account is opened.

This annual fee will be waived for any year if you make automatic (including Government Allotment for military personnel) minimum \$50 monthly or \$150 quarterly investments by electronic funds transfers or payroll deduction all through the year. It will also be waived for any year if (i) the value of the Account equals or exceeds \$25,000, (ii) the value of all Accounts for the same Beneficiary equals or exceeds \$25,000, or (iii) any other Account for the same Beneficiary receives automatic minimum \$50 monthly or \$150 quarterly investments by electronic funds transfers or payroll deduction all through the year.

(b) Daily Charge. Each Portfolio will be subject to a basic daily charge at an annual rate of 0.30% of its net assets. Each Portfolio is divided into Class A Units, Class B Units, Class C Units, Class D Units, and Class P Units. There are additional charges that vary by class and Portfolio.

(c) Class A Units are subject to an immediate sales charge and may be subject to a contingent deferred sales charge. If you invest in a Portfolio that invests in a single underlying equity mutual fund, you will immediately pay a sales charge on each investment equal to

5.75% of the amount invested. If you invest in a Portfolio that invests solely in either Fidelity Advisor High Income Fund or Fidelity Advisor Inflation-Protected Bond Fund (or any successor fund to either), you will immediately pay a sales charge on each investment equal to 4.75% of the amount invested. If you invest in the Portfolio that invests solely in the Fidelity Advisor Intermediate Bond Fund (or any successor fund), you will immediately pay a sales charge on each investment equal to 3.75% of the amount invested.

If you invest in a Portfolio that invests in a combination of underlying mutual funds, you will immediately pay a sales charge on each investment equal to 5.75% of the amount invested, unless the investment is made in an Account that you established before June 25, 2003, in which case the sales charge will be 3.50% of the amount invested.

If you purchase Class A Units in the Portfolio that invests solely in Fidelity Cash Reserves fund (or any successor fund), you will pay no up front sales charge, but if you later exchange those Units for another type of Class A Unit you will pay a sales charge as though you had purchased the other type of Class A Unit initially.

All Class A Units are also subject to an additional daily charge at an annual rate of 0.25%, except that for Class A Units that invest in a Portfolio that invests solely in the Fidelity Advisor Intermediate Bond Fund (or any successor fund), Fidelity Advisor High Income Fund (or any successor fund), or Fidelity Advisor Inflation-Protected Bond Fund (or any successor fund), the annual rate is 0.15%.

(d) Class B Units are subject to an additional daily charge and to a contingent deferred sales charge, and the charges vary depending on the Portfolio.

(e) For Accounts opened on or after June 25, 2003, if you purchase Class B Units of a Portfolio that invests in a combination of underlying mutual funds, the daily charge is at an annual rate of 1.00%, and if you withdraw from your Account during the first seven years you will be subject to a contingent deferred sales charge. The charge is at a rate of 5.00% of any amount withdrawn during the first year, 4.00% during the second year, 3.00% during the third or fourth year, 2.00% during the fifth year and 1.00% during the sixth year, and 0.00% during the seventh year.

For Accounts opened before June 25, 2003, if you purchase Class B Units of a Portfolio that invests in a combination of underlying mutual funds, the daily charge is at an annual rate of 0.75%, and if you withdraw from your Account during the first six years you will be subject to a contingent deferred sales charge. The charge is at a rate of 2.50% of any amount withdrawn during the first year, 2.00% during the second or third year, 1.50% during the fourth year, 1.00% during the fifth year and 0.50% during the sixth year.

The contingent deferred sales charge will not apply to any amount attributable to investment gains. Also, the contingent deferred sales charge will not apply to any such Class B Units purchased by exchanging other Class B Units. In such cases, the contingent deferred sales charge applicable to the originally purchased category of Class B Units will continue to apply instead.

(f) If you purchase Class B Units of a Portfolio that invests in a single underlying equity mutual fund, the daily charge is at an

annual rate of 1.00%, and if you withdraw from your Account during the first seven years you will be subject to a contingent deferred sales charge. The charge is at a rate of 5.00% of any amount withdrawn during the first year, 4.00% during the second, 3.00% during the third or fourth years, 2.00% during the fifth year, 1.00% during the sixth year and 0% during the seventh year. The contingent deferred sales charge will not apply to any amount attributable to investment gains. Also, the contingent deferred sales charge will not apply to any such Class B Units purchased by exchanging other Class B Units. In such cases, the contingent deferred sales charge applicable to the originally purchased category of Class B Units will continue to apply instead.

(g) If you purchase Class B Units of a Portfolio that invests solely in Fidelity Advisor Intermediate Bond Fund (or any successor fund), the daily charge is at an annual rate of 0.90%, and if you withdraw from your Account during the first four years you will be subject to a contingent deferred sales charge. The charge is at a rate of 3.00% of any amount withdrawn during the first year, 2.00% during the second year, 1.00% during the third year, and 0.00% during the fourth year. The contingent deferred sales charge will not apply to any amount attributable to investment gains. Also, the contingent deferred sales charge will not apply to any such Class B Units purchased by exchanging other Class B Units. In such cases, the contingent deferred sales charge applicable to the originally purchased category of Class B Units will continue to apply instead.

(h) If you purchase Class B Units of a Portfolio that invests solely in either Fidelity Advisor High Income Fund or Fidelity Advisor Inflation-Protected Bond Fund (or any successor fund to either), the daily charge is at an annual rate of 0.90%, and if you withdraw from your Account during the first seven years you will be subject to a contingent deferred sales charge. The charge is at a rate of 5.00% of any amount withdrawn during the first year, 4.00% during the second year, 3.00% during the third or fourth year, 2.00% during the fifth year, 1.00% during the sixth year, and 0.00% during the seventh year. The contingent deferred sales charge will not apply to any amount attributable to investment gains. Also, the contingent deferred sales charge will not apply to any such Class B Units purchased by exchanging other Class B Units. In such cases, the contingent deferred sales charge applicable to the originally purchased category of Class B Units will continue to apply instead.

(i) If you purchase Class B Units of a Portfolio that invests solely in Fidelity Cash Reserves fund (or any successor fund), the daily charge is at an annual rate of 1.00%, and if you withdraw from your Account during the first seven years you will be subject to a contingent deferred sales charge. The charge is at a rate of 5.00% of any amount withdrawn during the first year, 4.00% during the second year, 3.00% during the third or fourth years, 2.00% during the fifth year, 1.00% during the sixth year, and 0.00% during the seventh year. The contingent deferred sales charge will not apply to any amount attributable to investment gains. Also, the contingent deferred sales charge will not apply to any such Class B Units purchased by exchanging other Class B Units. In such cases, the contingent deferred sales charge applicable to the originally purchased category of Class B Units will continue to apply instead.

(j) Class B Units automatically convert to Class A Units after a given period of time. For Accounts opened on or after June 25, 2003, Class B Units of Portfolios that invest in a combination of underlying mutual funds convert at the end of seven years from the date of purchase. For Accounts opened before June 25, 2003, Class B Units of Portfolios that invest in a combination of underlying mutual funds convert at the end of six years from the date of purchase. Class B Units that invest in a Portfolio that invests in a single underlying equity or money market mutual fund convert at the end of seven years from the date of purchase. Class B Units that invest in a Portfolio that invests solely in Fidelity Advisor Intermediate Bond Fund (or any successor fund) convert four years from the date of purchase. Class B Units that invest in a Portfolio that invests solely in Fidelity Advisor High Income Fund or Fidelity Advisor Inflation-Protected Bond Fund (or any successor fund to either) convert seven years from the date of purchase. No sales charge will be imposed as a result of such a the conversion.

(k) If you purchase Class C Units, you will not pay a sales charge at the time of purchase. Class C Units are subject to a daily charge at an annualized rate of 1.00%, and if you redeem any such Class C Units within a year of purchase, you will also be subject to a contingent deferred sales charge of 1.00% of any amount withdrawn. The contingent deferred sales charge will not apply to any amount attributable to investment gains.

(l) If you purchase Class D Units, you will not pay a sales charge at the time of purchase. Class D Units are subject to a daily charge at an annualized rate of 0.50%. Class D Units are not available for Accounts established on or after June 25, 2003.

(m) Notwithstanding the foregoing, no contingent deferred sales charge on Class A Units, Class B Units or Class C Units will be imposed on any withdrawal used to pay for qualified higher education expenses.

(n) If you purchase Class P Units, you will be subject to an additional daily charge at an annual rate of 0.75%.

(o) You agree and acknowledge that in addition to the charges described in the prior provisions of Section 5, each of the mutual funds that is chosen by Strategic Advisers, Inc. or other investment advisors that may be hired by the Trust, also will have investment management fees and other expenses. The Trust shall not invest in any mutual fund if a sales load would be imposed on that investment.

(p) You agree and acknowledge that all or a portion of the charges you pay will be paid to your investment professional or the firm for which your investment professional works.

6. Necessity of Qualification. The Trust intends to qualify for favorable federal tax treatment under section 529 of the Code. You agree and acknowledge that qualification under section 529 of the Code is vital, and agree that the Trustee may amend this Participation Agreement upon a determination that such an amendment is required to maintain such qualification.

7. Audit. The Trustee shall cause the Trust and its assets to be audited at least annually by a certified public accountant selected by the Trustee. A copy of the annual report for the Portfolios in the Plan can be obtained by calling your investment professional.

8. Reporting. The Trust will make quarterly reports of Account activity and the value of each Account.

9. Participant's Indemnity. You recognize that each Account will be established based upon your statements, agreements, representations and warranties set forth in this Agreement. You agree to indemnify and to hold harmless the Trust, the Trustee, Fidelity and any representatives of the Trust, the Trustee or Fidelity from and against any and all loss, damage, liability or expense, including costs of reasonable attorney's fees, to which they may be put or which they may incur by reason of, or in connection with, (i) any misstatement or misrepresentation made by you or any Beneficiary of yours, (ii) any breach by you of the acknowledgments, representations or warranties contained herein, or (iii) any failure by you to fulfill any portion of this Agreement. You agree that all your statements, representations and warranties will survive the termination of this Agreement.

10. Amendment and Termination. Nothing contained in the Trust or this Participation Agreement shall constitute an agreement or representation by the Trustee or anyone else that the Trust will continue in existence. At any time the Trustee may amend the Declaration of Trust and this Participation Agreement, or suspend or terminate the Trust by giving written notice of such action to the Participant, so long as after the action the assets in your Accounts are still held for the exclusive benefit of you and your Beneficiaries.



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